

# **IDRC Final Technical Report**

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## **Project**

# **Regoverning Markets: the keys to inclusion of small-scale producers in dynamic agrifood chains**

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## Synthesis

Rapid changes are taking place in the structure and governance of national and regional agrifood markets in developing countries, affecting the ability of agriculture to contribute to economic growth, poverty reduction and sustainable rural development. Small-scale agriculture, which supports the livelihoods of the majority of rural poor, is potentially under-prepared for these changes.

In recognition of this challenge, an intensive 2.5-year programme ('Regoverning Markets' Phase 2, 2005-2008) of collaborative research and policy support has been undertaken to understand the keys to inclusion into agrifood systems under different degrees of restructuring, to deepen the research on implications and opportunities for small-scale producers and SMEs. The overall goal of the programme is to provide strategic advice and guidance to the public sector, agrifood chain actors, civil society organisations including economic organisations of producers, and development agencies on approaches that can anticipate and manage the impacts of the dynamic changes in local and regional markets.

The focus of the programme is on dynamic restructured national and regional markets that are displacing traditional food markets. **Component 1** of the Programme, in which IDRC was an important donor-partner, examines the processes and impacts of that restructuring via a **comparative in-depth empirical analysis of eight country cases** (China, India, Indonesia, Mexico, Poland, South Africa, Turkey, and Zambia).

This component is asking the following research questions across a range of countries and stages of restructuring:

What are **patterns in restructuring of food industry segments** (retail, processing, wholesale)? What are **determinants of inclusion or exclusion** of farmers in restructured markets?

**Small (in land) versus large** farmers

**Non-land asset-endowed vs. asset-poor** small farmers

What are **effects of participation** on incomes, farm technology?

A common methodological approach was employed in all eight countries, combining meso-level, PRA market surveys and household-level surveys.

Overall, the results show large differences in the observed market restructuring among developing countries, though rapid downstream retail market restructuring has occurred in nearly all countries regardless whether a country belongs to "advanced restructured", "intermediate" or "initial restructured" stages. Overall, there is mixed evidence of penetration in the entire food market chain. Where penetration from downstream changes or modern retail revolution has weak impact at farm level, it is because other segments of food marketing chain has been stopped at midstream such as wholesale, processing firms and other intermediates.

Where land is unequally distributed, land becomes a significant determinant of market inclusion. Threshold levels of non-land capital assets are major determinants of market access. Wholesale markets and their procurement networks remain crucial players favouring inclusion of small scale producer -- the responses from intermediates to retail market restructuring have often served as sponge to soften the shocks of retail changes on farms. However, where little penetration from downstream to upstream of food marketing chain and where market dominated by traders in traditional channels, there is big challenge in meeting the growing demand for food safety.

These findings are a big advance on the 'waves of change' view of agrifood restructuring, and have important policy implications. Land distribution is one of key policies for inclusive of small producers in dynamic markets. Small farmers' competitive position can be addressed through promotion of wholesale markets and promotion of collective marketing. The evidence of threshold levels of non-farm assets means that policy efforts on market access should focus more on asset poor farmers. Feeding these results into national multi-stakeholder task groups/working committees has been one key to building understanding between stakeholders, sharing evidence and information and effecting change. A ground-breaking global conference *Inclusive Business in Agrifood Markets: Evidence and Action* -- which received supplementary support from IDRC -- provided another means to catalyse a rethink in public policy and private sector strategy.

## Research problem

Of the world's 1.9bn rural poor, around 280m live in *agriculture-based* countries, mostly in Sub-Saharan Africa, where agriculture still contributes significantly to growth, and where the key policy challenge is to help agriculture play its role as an engine of growth and poverty reduction. But the majority of the rural poor – 1,500m – live in '*transforming* countries', where agriculture contributes less to growth, yet poverty remains overwhelmingly rural.

The World Development Report (WDR2008) paints a picture of a rising urban-rural income gap in transforming countries, accompanied by unfulfilled expectations which create political tensions. "*Growth in agriculture and the rural non-farm economy is needed to reduce rural poverty and narrow the urban-rural divide.*"

It is in transforming countries, too, where domestic markets are undergoing rapid but uneven modernisation, with large supermarket retail chains and branded processed food product manufacturers growing alongside the informal and traditional market.

Market modernisation offers increased economic opportunities for small-scale producers and small- and medium-scale enterprises (SMEs), consumers, and other actors in the food chain. New buyers in the countryside are competing for farmers' produce. But there are also risks, of domestic businesses being bypassed, and of costly market entry requirements which favour the better-resourced. If the Millennium Development Goals (MDGs) are to even be partially met by 2015, then agriculture and SMEs in *transforming* as well as *agriculture-based* countries must contribute to the delivery of equitable growth. Market modernisation and restructuring challenges the expectation of a growth and equity 'win-win' derived from agricultural development.

The WDR2008 calls for action in response to the modernisation of procurement systems in integrated, modern supply chains, whereby small-scale producers can share in these growth opportunities. The work of the Regoverning Markets programme responds directly to this challenge.

**The Regoverning Markets programme** (2005-2008) represents a global consortium of 15 institutions worldwide, coordinated by the International Institute for Environment and Development (IIED). The consortium carried out state of the art empirical research, commissioned case studies of innovative practice and conducted policy consultation processes, all of which involving dozens of partners. Over forty case examples with a global coverage have been documented on connecting small-scale producers with modern markets. The overall aim of the programme is to provide strategic advice and guidance to the public sector, agrifood chain actors, civil society organisations and development agencies on approaches that can anticipate and manage the impacts of the dynamic changes in local and regional markets.

Agrifood markets are in an unprecedented state of flux, and are generating intense policy debate worldwide. Market liberalisation, a reduced role of the state, a shift into market-driven policy, changes in consumer preferences and purchasing power, and the modernisation of food processing and retailing are primary drivers. It can take developing and emerging market economies as little as ten years to reach the levels of agrifood market restructuring that took five or more decades in Western Europe or North America.

Disproportionate attention has been paid to export markets, despite the far greater importance of domestic markets for the majority of small-scale farmers. The impacts of transformation of the processing sector on farmers has also been well studied including contract farming where one could link a clear change (rise of big processors) with a clear participant group (milk or tomato producers in such and such a radius of the processing plant). The least researched area has been the impact of the rise of modern grocery retail on farmers.

The modernisation of agrifood markets has been accompanied by intense policy debate, especially in India, where local traders – but also farmers – feel a threat to their livelihoods from the growth of modern organised retail. The food industry is assessing its "realm of responsibility" in the supply chain; producer organisations are debating appropriate responses and strategies; governments devising new forms of market governance to promote private sector investments while ensuring social inclusion; public and private sector organisations joining forces in novel alliances; and donors revisiting their support to agriculture in the context of the MDGs.

The following key questions dominate the debate:

- Can the new food giants, including supermarkets and food companies be partners in the economic growth of rural areas?
- Can small-scale farmers meet the high expectations for quantity and food quality and safety?
- Can public policy help to make successful market linkages between business and small-scale farming and can anticipatory policy make any difference?

Thus the Regoverning Markets programme set out to address these questions through empirical study, case studies and practical experience in policy dialogue and outreach.

Elements of project management

The programme was divided into three components

- **Component 1 (C1):** econometric analysis: nine cases in eight countries, led by Tom Reardon (MSU), Jikun Huang (CCAP)
- **Component 2 (C2):** Case study research – 40 cases, led by Julio Berdegué (RIMISP), Lucian Peppelenbos (KIT), Estelle Bienabe (CIRAD)
- **Component 3 (C3):** Chain-wide learning – eight countries with numerous national, regional, global events. Led by Felicity Proctor, Larry Digal (UPM)

Coordination was decentralised to nine regions, each with a regional coordinator:

**China** Centre for Chinese Agricultural Policy (CCAP), China. Jikun Huang  
**Central and Eastern Europe** Corvinus University of Budapest, Hungary. Csaba Csáki and Csaba Forgacs  
**East Mediterranean and Middle East** Economic Research Centre on Mediterranean Countries, Turkey. Ali Koç and Yavuz Tekelioglu  
**North and West Africa** Association Interdisciplinaire pour le Développement et l'Environnement (TARGA), Morocco. Aziz Sbai  
**South East Asia** University of the Philippines in Mindanao, The Philippines. Larry Digal  
**Latin America** RIMISP Latin American Centre for Rural Development, Chile. Julio Berdegué  
**South Asia** Sustainable Development Policy Institute (SDPI), Pakistan. Abid Suleri  
**East Africa** Tegemeo Institute of Egerton University, Kenya. James Nyoro  
**Southern Africa** University of Pretoria, South Africa. Andre Louw

Central coordination was provided by IIED, in a team that comprised Bill Vorley (overall leadership), Frances Reynolds (finance, contracts, publications), Ben Garside (website) and a visiting fellow Felicity Proctor (Component 3 and overall management support). A global advisory group including agribusiness, OECD, IFAP, GFAR/FAO, academia provided oversight.

The wider programme was funded by the UK Department for International Development (DFID), the Canadian International Development Agency (CIDA), ICCO, Cordaid, and the US Agency for International Development (USAID), in addition to IDRC.

Regoverning Markets was designed so that evidence-based research should go hand-in-hand with policy outreach, with mechanisms for dialogue and exchange between interested parties in place from the outset. Country-level Reference Groups including representatives from the public sector, the business community and producer and their organisations have enabled key stakeholders to inform the direction of the empirical research study and be informed by the outputs.

The programme included the development and application of a set of activities, undertaken with multiple stakeholders, designed to map the policy and institutional factors along the market chain which impact upon the shape of the chain and market inclusion. These country level processes sought to anticipate future change and assess options and entry points whereby small-scale producers and SMEs can secure their place in these dynamic markets.

Chain-wide and multi-stakeholder learning workshops have been held in Turkey, South Africa, Indonesia, Morocco, the Philippines, Bangladesh, Pakistan and Vietnam. A guide on the approach has been published.

At regional and international levels, partnerships with key programmes and associations are made. This includes with FAO, Global Forum on Agricultural Research (GFAR), International Food and Agribusiness Management Association (IAMA), International Federation of Agricultural Producers

(IFAP), FARA/NEPAD, the International Society of Horticultural Science (with inputs into meetings in Vietnam and Thailand), International Agricultural Trades Research Consortium (China), and International Association of Agricultural Economists (IAAE).

The findings of the programme were presented at an International Conference **Inclusive business in agrifood markets: Evidence and action** held in Beijing, March 5-6, 2008. All publications and details on the Regoverning Markets programme are available on [www.regoverningmarkets.org](http://www.regoverningmarkets.org)

IDRC provided funding support to **Component 1**. Country-based research studies undertaken by national institutions have examined the processes and impacts of restructuring through a comparative in-depth empirical analysis:

- China, Indonesia, South Africa and Turkey - vegetables
- India and Poland - dairy
- Mexico – strawberry, fresh and processed
- Zambia – red meat and poultry

They addressed the following questions:

- What restructuring is occurring? What distinct market channels do farmers face and how do they differ; how have they changed over time?
- What determines the participation of farmers in the different channels for example farm size, non-land assets, policies, etc?
- What are the impacts on technology and incomes of their participation?
- What are the policy implications?

## Research findings

Much of the richness of the research lies in the individual country studies (see 'Project Outputs'). The Component 1 results should also be analysed within the overall Regoverning Markets programme outputs and findings. However, there are powerful stand-alone findings from Component 1 cross-cutting analysis that are derived from the meso- and micro-level studies, presented in two synthesis documents.

There are large differences in the observed market restructuring among developing and emerging market economy countries. Of the countries studied by the programme relatively more food market restructuring has occurred in Latin America (Mexico), followed by Eastern Europe transitional economies (Turkey and Poland), South Africa, Southeast Asia (Indonesia), East Asia (China), and South Asia (India). It is less developed in Sub-Saharan African countries (Zambia).

There are also large differences in observed market restructuring among commodities. Generally, market restructuring has been more rapid in the dairy and livestock sectors (e.g., poultry and meat) than for fruit and vegetables.

All of the eight study countries had a set of policies that occurred during the market liberalisation period, in the 1980s to 2000s, with full or partial privatisation of the public sector retail and processing segments. Most liberalised foreign direct investment (FDI) in retail and processing in the late 1980s or early 1990s. This was followed by a wave of retail FDI into all of the study countries, except South Africa, where retail FDI is permitted and India, where retail FDI is not yet fully permitted but nevertheless from the early 2000s there is a retail take-off fuelled by domestic capital.

The combination of retail restructuring policies, rising urbanisation and incomes (in most of the countries), led to the rapid rise of modern food retailing during the 1990s and/or the 2000s typically at a rate 3-5 times faster than the growth of GDP per capita. For example in urban Mexico supermarkets and hypermarkets had 52% of overall food retail in 2006, up from around 5% in 1990, and the share of supermarkets in fresh produce was 25% by 2006, up from near zero in 1990. In China, from one supermarket in 1990, the number grew to 53,000 by the mid 2000s. In Indonesia, the market share of supermarkets has grown from around 5% to 30% of food retail between 1995 and 2005, and is spreading to supply the middle class and starting in the markets of the lower-middle and working-poor.

The penetration by supermarkets of the fresh produce retail significantly lags that of the overall penetration; for example, in Mexico, supermarkets have 55% of overall food, but only 25% of fresh produce; in Indonesia, 30% and 10%; in Turkey, 35% and 20%.

In all the study countries (except China, where processing was not examined), the food **processing** sector started to restructure before the retail sector, though there is evidence from all the studies that there has been mutual benefit between the large processing sector and the supermarket sectors. There has been rapid consolidation in the processing sectors, in particular the second-stage processing, in all the study countries for the products studied. In India modern dairy processing is at most 16% of the dairy sector, but this seems poised to accelerate, in particular in the form of the spread of modern retail.

The **wholesale** sector itself has not been public sector controlled, apart from the market premises, in most countries though there were some exceptions, with India and Turkey both instituting state control (via licensing) of the wholesalers in the public wholesale markets in the 1990s. In both cases they were motivated by the idea that this would avoid chaos and speculation in the wholesale sector that would possibly endanger urban food security and farmer incomes. On both India and Turkey the state control over the wholesale sector is changing for example in India, now retailers can buy direct from farmers rather than operate through the government-controlled Agricultural Produce Marketing Committee (APMC) markets.

Many of the studies show consolidation emerging over wholesale markets. For instance in West Java Indonesia in the mid 1990s, the sector was dominated by small brokers. By the mid 2000s the larger wholesalers were preponderant, and the smaller brokers were now in the minority, and mainly operating in the more hinterland areas. There is evidence from the Mexico, Turkey, and Indonesia studies that wholesalers are buying more direct from farmers and the role of the small local broker is declining. There is emerging other types of restructuring in the wholesale sector, the most prominent of which is “specialised/ dedicated wholesalers” who on-sell to supermarket and food service, and have preferred suppliers and quality selection.

#### **What impact on procurement?**

Supermarkets tend to source from the larger second-stage processors for reasons of food safety, quality and to reduce transactions costs. Small-scale processors tend to be the main sources for traditional retailers (such as in dairy in Poland), except where the processing sector is already consolidated (such as the processed potato sector in Indonesia).

Supermarket chains in Zambia source their beef from large first- and second-stage processors such as ZAMBEEF and medium/large third-stage processors. This contrasts with traditional retailers who buy from small first- and second- stage processors and from wholesalers.

In all the study countries examining fresh vegetables (mainly tomato), all supermarket chains source the majority of these products from the wholesale markets, with the exception of South African leading chains, which source tomatoes mainly from large commercial farmers via preferred supplier relationships. The shift by South African supermarkets away from the wholesale markets to using preferred suppliers was greatly facilitated by the sharply dualistic farm sector structure. The major supermarket chains were found to source the majority of their tomatoes from large commercial farmers, and revert to the small-scale farmers only to meet gaps in the supply from their main suppliers. Only a small share comes from commercialising small-scale farmers, and with a few exceptions among retailers, very little from the “emerging predominantly black farmers.” This compares with China, where small-scale farmers dominate, and where no evidence was found of such farmers being excluded from vegetable production and markets.

Large processors sometimes (such as for tomato processors in South Africa and Turkey, dairy processors in Poland, potato processors in Indonesia, private and cooperative processors in India, and for some larger beef processors in Zambia) work in preferred supplier relationships with small-scale farmers on a semi-contract farming basis. In these relationships, sometimes credit, seed, inputs, and technical assistance are offered, and the product is collected at or near farm-gate. In other cases (such as most of the first-stage processors of strawberry in Mexico, and smaller processors of beef in Zambia) the relationship is merely that of the spot market. The larger processing sector and export sectors in Zambia source beef mainly from the large-scale ranches that dominate one side of the very dualistic Zambian beef industry.

The studies note only a relatively low degree of procurement restructuring among wholesalers – regardless of whether they are large on-market wholesalers, or off-market specialised wholesalers.

### **Traditional retail**

It is often assumed that “traditional retail” is static. However, the large public markets such as the bazaars, wet markets and street markets, are themselves restructuring and upgrading, focusing on offering higher quality to compete with the supermarkets on quality and service and to reduce the gap in terms of market infrastructure and hygiene. This means wholesalers and farmers will increasingly face both retail segments (modern and traditional-now-modernising) that demand quality and reduced transaction costs.

Traditional markets are resilient and can co-exist for significant periods of time with restructured markets. In fact, the restructuring process often includes interactions and **spillover effects** between “old” and “new” markets. There are instances of “partially restructured” markets, with faster and deeper changes downstream and continuity of traditional patterns upstream. Small-scale farmers usually operate in multiple market channels, new and traditional, displaying diversified marketing strategies in order to meet different economic needs (e.g., access to credit or improved cash flow, controlled risk levels) or social needs (e.g., inclusion in the social networks that are interlinked with the marketing networks).

### **What is happening at the farm level?**

In all the countries where empirical research was undertaken, at least for the study products, there was a complete or near-complete dominance of small farms on the production side. Large farms existed in many of the countries, but usually in enclave sectors and often focused on exports.

Intensive field research shows that the observed market restructurings at the upstream level has been much less than the observed market restructurings at downstream. Penetration from downstream changes or the modern retail revolution to other segments of the food marketing chain has often been stopped at midstream by wholesale operations, processing firms and other intermediaries. The China study concluded this is an indication of a very competitive wholesale market, efficient small wholesalers in linking downstream and upstream, and high transaction costs of modern retailers and exporters with millions of small producers. Supermarkets were found to procure a third of their vegetable supplies from large specialised/ dedicated wholesalers or directly in the production zones, plus a small proportion own-produced (on their own land or contracted). For all of these except own-production, the buying is done in spot relations from the farmers, so that the brokers or wholesalers who interact with the farmers are indistinguishable from the viewpoint of the farmer.

There is evidence of penetration from downstream to midstream (e.g., processors and wholesalers) and there is also rising evidence of the responses of midstream to the changes in downstream. The typical pattern is for supermarket chains to source via specialised/dedicated wholesalers.

When restructuring does reach as far as the farm – driven by business needs for traceability, for example – and farm income from modern markets increases, then exclusion of smaller, less well capitalised producers becomes a reality. Exclusion of whole regions that are not endowed with the characteristics demanded by downstream agents in the chain can also arise.

Restructuring and modernisation comes with requirements for quality, quantity, consistency, and traceability, with a large fixed cost element that favours farmers with assets and capacities to access the necessary finance, information, and technology. This requires some **threshold investments** from producers. Research in Indonesia showed that potato farmers who supply modern market channel use better technology, more intensive use of chemical input, have higher capital investment and use less family labour. For tomatoes in Indonesia, irrigation capital is a determinant of inclusion, with this investment key for meeting requirements of quality and consistency to modern channels. In Mexico modern strawberry buyers (large wholesalers and processors) also require consistency and quality that in turn translates into requisite equipment, technology uptake and also a minimum land size. In Poland dairy, the key non-land assets were dairy herd sizes and cooling tanks. In South African tomatoes, the key non-land asset variable is whether they can produce under greenhouses, thus attaining the multiple seasons and the quality required by the modern local channel. In India, there was no evidence of non-land assets based exclusion.

Membership of **producer organisations** was correlated with participation in modern markets in only half of the countries; in the rest the correlation was not significant or negative. This is indicative of the very mixed role of producer organisations, from political lobbying to channels for government subsidies. As in Turkey, marketing cooperatives are rare cooperative members typically remain

oriented to the traditional markets. In Poland case, a significant negative impact was also found for cooperative membership on modern market inclusion, but this observation suggests that the costs of remaining in the traditional channel (e.g. lower price, higher risk of milk refusals, lower quality premiums etc.) may be outweighed by benefits created by cooperation.

Generally, better **road and marketing infrastructure** facilitate farmers' participating in modern market channels though the impacts in some country studies are not statistically significant. Among eight countries studied, four of them found that the distance to road or markets or dairy collection points has significantly negative impacts on farmers' selling products to modern channels.

There are various market structure and regulatory constraints that **buffer** small-scale farmers from substantial restructuring downstream. The responses from intermediates to retail market restructuring have softened the shocks of retail changes on farms. The extent to which this reduces the capacity of the small-scale farming community to build up resilience within demanding agrifood markets must however, be open to question.

The country cases can be categorised into three "poles":

First "pole": Downstream restructuring with **no exclusion of small farms**.

In this group (China, Indonesian potato, India dairy, Turkey tomato), small farms dominate, with little difference in non-land assets. Retail/processing restructuring has little impact on farms because they are "buffered" by the restructured wholesale segment.

Second "pole": Downstream restructuring with **small farms included** - but only those **endowed with non-land assets** (irrigation, cooling tanks, etc.).

In this group (Indonesian tomato and Poland dairy), retail/second-stage processing restructuring impacts on wholesale/first-stage processing, which then trades selectively with asset-endowed small farmers (less with the asset-poor ones).

Third "pole": Downstream restructuring **excludes most small farms**, and among small farms it mainly excludes the **asset-poor**.

In this group (South Africa, Zambia, and to a smaller extent Mexico), retail/second-stage processing restructuring leads to them mainly buying direct from large farmers, and for small farmers that participate, the modern channels buy mainly from the asset-endowed.

These insights are a significant development, compared to the earlier 'waves of change' hypothesis of agrifood restructuring. It means that, through policy attention to land structure, non-land assets, and the health of the wholesale sector, policy makers can influence the inclusiveness of market modernisation.

### **Policy Implications**

Context matters a lot: the further restructuring in advanced stage, the more impact on farmers.

Where land structure egalitarian, small farmers are not excluded; but where land structure is dualistic small farmers are mainly excluded. Reasonably equal land distribution is one of key policies for inclusive of small producers in dynamic markets.

Where small farmers are excluded due to their competing with large farmers, the keys to inclusion are (a) promotion of **wholesale markets**; (b) promotion of collective marketing (producer organisations); and (c) promotion of labor market alternatives

Non-land assets: where small farming dominates, but with big variation in non-land assets, asset poor farmers are mainly excluded. In these situations policy efforts should focus more on asset poor farmers. This is good news for policy makers because this is an "actionable" result for programs

Market intermediaries are one of keys to both small scale producers to be included in dynamic markets. The appropriate responses from intermediates to retail market restructuring have often served as sponge to soften the shocks of retail changes on farms. Policy efforts should be addressed to the restructuring of wholesale and processing segments of marketing chain

Market penetration and food safety: Where little penetration from downstream to upstream of food marketing chain and where market dominated by traders in traditional channels, there is big challenge in meeting the growing demand for food safety. Increased regulation and testing might help, but if regulations become too strict they might act as a barrier keeping small farmers out of the market.

Through building in structures for **policy dialogue**, and links to an entire programme component (C3) committed to policy linkage, it was possible in most countries to constructively influence policy.

Examples include: The multi-stakeholder Strawberry Council of Michoacán, Mexico utilised outputs from RM in the reformulation of the State strawberry sector plan *to promote the inclusion of small and medium scale farmers in restructured markets*; and a National Horticulture Charter agreed for Indonesia including composition of a multi-stakeholder committee and creation of a National Horticulture Board following work of RM in Indonesia.

## **Fulfillment of objectives**

All six contracted project milestones and thirty-two project tasks were successfully delivered, with additional tasks (methodology workshops; synthesis workshop) included to ensure coherence and lesson-sharing between the teams.

All of the five contracted outputs were achieved, namely:

- High quality and policy relevant research contributing to public and private sector policy formulation at national and international levels generated, and research capacity built.

- Innovative models and interventions that support small-scale producers and processes participation in modern markets validated

- Structures for policy dialogue between the public sector, private sector and civil society strengthened and supported at national, regional and international levels

- Guidelines for pre-emptive and anticipatory policy and for corrective policy generated, and capacity built.

- Capacity of direct and indirect stakeholders in the supply chain strengthened and reflecting a willingness to include small-scale producers and suppliers

## **Project design and implementation**

There are four sets of general questions addressed by Component 1 (Table 1), derived from the general questions of the Regoverning Markets programme, though each country also has developed its own specific research questions related to the country situations derived from its meso study.

(1) What is the nature of the restructuring of the food industry hence the agrifood system downstream from the farmer, for the product(s) in question? What are the implied changes (relative to traditional markets) in incentives and requirements facing the farmer in restructured markets, derived chiefly from the product and transaction attributes/standards (such as quality, safety, volume, consistency over time of delivery, and packaging)?

This question set was asked at “national-meso” and “local-meso” levels. The national-meso study results serve as context for and inform the content of the local-meso level study. The latter focuses, in the study zone(s), on how the first-stage processing and local wholesale segments are restructured, and on the social, institutional, and organisational context, including power relationships within the chain, and government intervention.

(2) What are the market channel choices and multi-market strategies of farmers (comparing restructured markets and traditional markets)? How do they undertake those strategies? What are the determinants of those choices? Particularly, what are the technological, managerial, and organisational practices related to the market channel choices of the farmers? Are small farms and the poor excluded from the market restructuring?

This question set was asked mainly at the “micro level” but also partially at the “local-meso” levels. The local-meso study results serve as context for and inform the content of the micro-level study. The micro level study provided empirical evidences of the pattern in and determinants of farmers’ marketing choices.

(3) What are the impacts of farmers’ market channel choices on farmers? Particularly, what are the impacts of farmers’ market farmers’ marketing choices on their net incomes and production practices (e.g., labor and capital inputs)?

This question set was asked and examined at the “micro level”. The micro level study provided empirical evidence of the impacts of farmers’ marketing choices on farmers’ income and production technology or inputs.

(4) What are the policy implications for inclusion of small-scale producers in dynamic markets? What inputs could be generated from the empirical evidences for government policy makers, producers and private sectors in making their appropriate decisions during agri-food industry restructuring?

**Table 1. Research questions of meso and micro studies of Component 1.**

Research questions	Modules and survey/data
What is the nature of the restructuring of the food industry? What are the implied changes in incentives and requirements facing the farmer in restructured markets?	Module 1: macro, industrial and trader surveys Module 2: community/village surveys
What are the observed market channel choices by farmers? What are the determinants of those choices? Particularly, what are the technological, managerial, and organisational practices related to the market channel choices of the farmers?	Module 2: community/village and PRA surveys Module 3: intensive micro level household surveys and empirical analysis
What are the impacts of farmers' market channel choices on farmers? Particularly, what are the impacts of farmers' marketing choices on their net incomes and production practices?	Module 3: intensive micro level household surveys and empirical analysis
What are the policy implications for inclusion of small-scale producers in dynamic markets	Modules 1-3 of Component 1 and Component 3

The research questions were addressed through a well-coordinated set of nine country studies. The locations of the studies reflect variation over two dimensions.

The first is variation over (country) stages of food industry restructuring, reflected in the variation over degree of concentration in the segments of the food industry and thus levels of modernisation of agrifood markets. That concentration is proxied by the share of modern retail (supermarkets and hypermarkets and convenience stores) in urban food retail and the share of large-scale processors and food manufacturers in the processed foods sector. The second is variation over (country) farm sector structure. That structure is reflected in a number of variables, but a useful one here is 'skewedness' of farm size distribution. It is ideal to maximise the variation of these two variables over case study countries, while limiting the variation over products and food industry segments. That is to have a mix of food industry segments' restructuring and product types, such as a mix of produce and dairy processing studies over the countries. This provides inter-segment and inter-product variation.

Based on the above criteria, the following nine countries and corresponding products were chosen for case studies:

**"Advanced Restructured"** (modern retail share 40-60% in overall food)

- a) South Africa (tomatoes)
  - highly "dualistic" land structure (very large commercial farms + small farms)
  - big variation in non-land assets (e.g. greenhouses) among small farmers
- b) Mexico (strawberries)
  - "dualistic" land structure (small + big)
  - big variation in non-land assets (e.g. irrigation type) among small farmers
- c) Poland (dairy)
  - small farmer dominated land structure
  - big variation in non-land assets (e.g. cooling tanks) among small farmers

**2. "Intermediate Restructured"** (modern retail 10-40% in overall food)

- a) Turkey (tomatoes)
  - small farmer dominated land structure
  - moderate variation in non-land assets among small farmers
- b) Indonesia (tomatoes)
  - very small farmer dominated land structure
  - big variation in non-land assets (irrigation type) among small farmers
- c) Indonesia (potatoes)
  - very small farm dominated land structure

- small variation in non-land assets among small farmers
- d) China (tomatoes and cucumbers)
- very small farmer dominated land structure
  - very small variation in non-land assets among small farmers

**3. “Initial Restructured”** (modern retail 1-10% in food overall)

a) Zambia (beef)

highly dualistic land structure (huge + small)

very small variation in non-land assets among small farmers

b) India (dairy)

very small farmer dominated land structure

Small variation in non-land assets among small farmers

*Sampling and Data*

The studies have been conducted in all eight countries according to a common sampling framework, namely a stratified random sampling survey. Therefore, the household surveys are representative samples of each country or region(s) within the country. Details of sampling approaches and variable(s) used for stratification in each country can be found in the country reports.

A common survey questionnaire was designed at the project level, and then field-tested and finalised in each country. The final questionnaire for the household survey was reviewed by component leaders to ensure the household surveys allow the country team to answer all the research questions. A farmer should be able to answer the complete questionnaire within 60-90 minutes. The questionnaire covers household characteristics; land and cropping areas; outputs of the studied commodities; marketing channels and prices of the studied commodities; inputs and technology; crop income and other income; household durable assets and household level instrumental variables and others variables. A full set of questionnaires for each country can be found in each country report and in the Regoverning Markets website.

It is important to note that in order to test the “inclusion or exclusion” hypothesis and avoid the causality problem, the household survey also covered a variety of information about what occurred in past years. For example, concerning land assets or non-land assets, the questionnaires included not just current assets but also lagged assets so that we know what the asset base was before market channel entry and therefore try to avoid problems of causality or endogeneity in market participation that we would have if we used general current observations only.

In order to better understand farmers’ market choices, the household surveys also covered marketing information beyond the sale at the farm level. For example, we worked to elicit first and second buyers in order to get an idea of the awareness of farmers of the market channel into which he/she had been selling.

Since we collected data from the stratified random sampled households, a weighting system was created for each country. This weighting system was generated based on the stratified variable and nature of sampling in each country. With these data, all country teams constructed their corresponding weights in their countries to create point estimates of all variables that are national or regionally representative.

Each study was carried out by a national research team, with support and oversight provided by the regional coordinator. The Component 1 leaders and other members of the working group have provided professional advisory support as necessary. Table 2 provides a summary of samples and major characteristics of households in 8 countries.

Table 2. The sampling and major characteristics of sampled households in 8 countries in 2006.

Country (product)	Sample	Family population	Head education (years)	Land (ha)	Studied crop area (ha) or number of cows	Shares (%) of farms participated in farm association or cooperative
India (dairy)	390	5.7	6.1	1.7	7.5	53
Zambia (beef)	120	9.0	9.0	6.1	54	36
Poland (dairy)	323	4.9	11.0	28.5	16.4	12

China (Cucumber)	228	4.0	7.7	0.4	0.11	7
China (Tomato)	229	3.8	7.6	0.6	0.15	4
Indonesia (Potato)	500	4.0	7.2	1.3	0.37	27
Indonesia (Tomato)	596	4.0	6.9	0.7	0.33	9
S. Africa (Tomato)	347	5.7	6.5	5.7	2.2	45
Turkey (Tomato)	396	4.2	6.1	1.23	0.26	18
Mexico (Strawberry)	241	4.6	6.0	3.8	2.4	72

The country studies have been conducted according to a common methodology. The models have been developed to examine two of four sets of research questions listed in the introduction section. These two sets of research questions are: i) What are major determinants of farmers' marketing choices? Does farm size and non-land assets determine exclusion from modern market chains?<sup>1</sup> And ii) What are the impacts of farmers' marketing choices on farmers in terms of income and production or technologies?

While the models of the determinants of farmers' marketing choices,  $M_{jt}$ , and their impacts on farmers,  $Y_{jt}$ , may differ among countries in term of specific variables used in the regression, generally, all micro study countries follow similar specifications as the follows:

$$(1) M_{jt} = f(\text{Incentives}_{it}, \text{Farm Size}_{it-n}, \text{Non-land Assets}_{it-n}, \text{Shifters}_j, \text{IVs})$$

$$(2) Y_{jt} = f(\text{Incentives}_{it}, \text{Farm Size}_{it-n}, \text{Non-land Assets}_{it-n \text{ and } t}, \text{Shifters}_j, M_{jt})$$

Where,  $i$ ,  $j$  and  $t$  index household, region (or community or village) and year. Definition of each variable set is defined below:

$M_{jt}$  is a vector of the marketing choices of  $i^{\text{th}}$  farmer from  $j^{\text{th}}$  location in year  $t$ . Among eight countries, five countries divide the farmers' marketing choices into two choices, namely modern vs traditional marketing choices. In the India, Indonesia and China studies, three channels are specified. For example, in India, the study simultaneously examines cooperative, private and traditional market choices by farmers in the dairy sector. In the Indonesia tomato case, the country study divides farmers' marketing choices into traditional channels, modern wholesalers, and supermarkets. In the China study, they estimated three marketing channels (small broker, wholesaler and modern channels) in the vegetable sector. In the Turkey study, the country team conducted two stage estimations. First, they estimated the farmer's marketing choice between selling to processing firms and non-processing firms. Then among those in the non-processing firm channel, they estimated modern vs traditional marketing channels on tomato.

$Y_{jt}$  is a set of variables that are hypothesised to be affected by the farmer' marketing choices ( $M_{jt}$ ). In this project, while we left each country to decide which variable(s) better measured the  $Y(s)$ , in each country the impacts on income and input levels or technology are all empirically estimated.

*Incentives:* This is a set of variables reflecting the prices. If prices are available and measured accurately and panel data are available, they are used directly as incentive variables. However, because the regressions in most countries are only based on cross-section household data, most countries use proxies for price variables. For example, varying from country to country, the following variables are used in the empirical regression: household distance from road and/or city, location dummy (reflected both prices and non-price factors), lagged off-farm labor share (measured farmers' forgone income or opportunity cost for crop or dairy production).

*Farm Size:* this is a variable that represents the size of farm. It is measured as household cultivated land in crop production or the number of animals in the herd in the base year or in year  $t-n$ . We use the lagged land area (or head size), which means that the studies try to minimise likely endogenous problems encountered in marketing choice equation. Ideally, the land size should be lagged until the year before the farmers participated in a particular marketing choice studied.

<sup>1</sup> This question was modified from the original which focused on small farm exclusion, because all the country studies sampled only in small farm areas; however, the variation within the small farm category still allowed us to test for farm size variation, and the variation in productive non-land assets allowed us to test for the impact of that on exclusion or inclusion.

*Non-land Assets*: this is a set of variables that represent the household's assets, in several categories used typically in the literature: (1) human capital (age of household head, experience, education, number of household members as a proxy for own-labor capacity, and others); (2) consumption capital (reflecting overall wealth of the household such as type of dwelling, livestock holdings and others); (3) productive capital (such as irrigation capital on-farm, greenhouse, vehicle, and others); (4) organisational capital (such as membership in cooperative); (5) financial capital (credit, non-farm earnings lagged). The lagged values of these variables are used in the market participation equations to avoid endogeneity with market channel choice. Note that there can be large variation in all five types of assets over households, and that small farms might have levels (even relative to medium or larger farmers) that are substantial of these assets, accumulated from earlier income streams from migration, local off-farm employment, prior cash cropping, inheritance, government programs, and other reasons. The elements of the asset categories vary according to the product and the local situation. Note that in some countries, productive assets such as irrigation were not included because there was little variation over farms (such as in China) or greenhouses, because they are not used in that situation (Indonesian tomatoes). In several instances, indexes of assets were used (for consumption assets in China and productive assets in Mexico). Details of the non-land asset variables used and the effects measured in the regressions, on modern market channel participation, are summarised in the results section.

*Shifters*: these are location, institutional (e.g., farm association or cooperatives available in the area), policy and other shifters that are specific to the product and locations studied. The location is a control variable that reflects all non-time variations among study areas. Farm association or cooperatives measure institutional or organisational capital in the area. (The latter is listed as a household asset in the non-land assets variable set, and as a shifter or meso asset where the regression shows existence of a coop in the area, separate from whether the household is a member, such as in the Indonesia potato study). Policy differs largely among countries; it reflects either positive or negative distortions from the government in the studied countries.

*IVs* are instrumental variables used in the farmers' marketing channel choices when the impacts of marketing choices on farms are examined. We asked each country team to identify the variables which they believe do not have direct impacts on farmers' production or Y, but have indirect impacts on farmers' vegetable production or Y through their impacts on farmers' marketing channel choices. For example, in China's case, the study aimed at examining the impacts of farmers' marketing choices among small brokers, wholesalers and modern channels, and the impacts of farmers' marketing choices on tomato (or cucumber) production and the crop income. The meso study (Huang et al. , 2008) identified the following variables as IVs in China: 1) household's distance from nearest wet market (km); 2) distance from the nearest wholesale market (km); 3) years from the nearest wholesale market established (years); 4) sale tax for selling products in local periodic market (traditional channel); and 5) local government regulations on vegetable marketing. They used the above variables as instrumental variables in farmers' marketing channel choices because the study team posited that these variables do not have direct impacts on farmers' vegetable production inputs and outputs, but they may have indirect impacts on farmers' vegetable production inputs and outputs through their impacts on farmers' marketing channel choices.

In each Component 1 country, national **Reference groups** were established as links to public policy, private sector and producer organisations (see **Annex 3**).

## **Project outputs and dissemination**

Note: all outputs are available for download at the programme website. Those programme outputs specific to Component 1 are listed here. The much longer list of related outputs, papers, workshops and conferences are listed in **Annex 1**.

### Methods and approaches

Reardon T. and J. Huang (2005) Methods for Assessing Determinants, Costs, and Benefits of Small Farmer Inclusion in Restructured Agrifood Chains. October 2005

### Syntheses

Reardon T. and J. Huang (2008) Meso level restructuring of the food industry in development countries. Synthesis report – Meso study. 59pp

Huang J. and T. Reardon (2008) Patterns in and determinants and effects of farmers' marketing strategies in developing countries. Synthesis report – micro study. 43pp

Inclusive Business in Agrifood Markets: Evidence and Action. Proceedings of conference, Beijing on March 5-6, 2008.

#### Agrifood sector studies

##### *Component 1 meso studies*

Berdegú J.A., Reardon T., Hernandez R. and J. Ortega (2008) Modern market channels and strawberry farmers in Michoacán, Mexico. Rimisp, Chile, Michigan University and FAO

Chikazunga D., Louw A., Muloongo O. and C. Haankuku (2007) Smallholder farmers' participation in restructuring beef value chains: the beef sub-sector in Zambia. University of Pretoria. Farming Systems Association of Zambia, Zambia

Huang J., Dong, X., Wu, Y., Zhi, H., Nui, X., Huang Z. and S. Rozelle (2007) Restructuring agrifood markets in China: The horticulture sector. Center for Chinese Agricultural Policy, Chinese Academy of Sciences. PRC

Koç A.A., Codron J.M., Tekelioğlu Y., Lemeilleur S., Tozanli S., Aksoy S., Bignebat A.C., Demirer R. and N. Mencet (2007) Restructuring of Agrifood Chains in Turkey: The produce sector. Antalya Department of Economics, Akdeniz University, Turkey

Louw A., Chikazunga D., Jordaan D. and E. Bienabe (2007) Restructuring food markets in South Africa: Dynamics in context of the tomato subsector. University of Pretoria. RSA

Natawidjaja R.S, Rasmikayati E., Kharisma B., Kusnandar, Purwanto D. and T. Reardon. (2007) Restructuring of agrifood chains in Indonesia. Padjadjaran University, Bandung, Indonesia

Ndiyoi M., Mudenda C., Louw A., Chikazunga D., Hankuku C. and L. Ndanga (2007) Restructuring food markets in Zambia: Dynamics in the beef and chicken subsectors. Farming Systems Association of Zambia, University of Pretoria, RSA

Sharma V.P and R.V. Singh (2007) Restructuring agrifood markets in India: The dairy sector. Ahmedabad: Indian Institute of Management. India

Wilkin J., Milczarek D., Malak-Rawlikowska A. and J. Fałkowski (2006) The dairy sector in Poland. Warsaw University and Warsaw Agricultural University. Poland

##### *Component 1 micro studies*

Berdegú J., Hernández R., Ortega J. and T. Reardon (2007) Modern market channels and Strawberry Farmers in Michoacán, Mexico. Study Report. Rimisp, Chile, Michigan University and FAO

Bignebat C., Koç A. A., Demirer R., Aksoy A., Mencet N. and S. Lemeilleur (2008) Restructuring of agrifood chains in Turkey: The produce sector. MOISA, Akdeniz University, Turkey

Chikazunga D., Louw A., Ndanga L. and E. Biénabe (2008) Smallholder farmers participation in restructuring food markets: The tomato sub-sector in South Africa, University of Pretoria, RSA

Chikazunga D., Louw A., Muloongo O. and C. Haankuku (2008) Smallholder farmers' participation in restructuring beef value chains: A case of the beef sub-sector in Zambia. University of Pretoria, University of Zambia

Huang J., Huang Z., Zhi H., Wu Y., Niu X. and S Rozelle (2008) Production, marketing and impacts of market chain changes on farmers in China: The case of cucumber and tomato in Shandong Province. Centre for Chinese Agricultural Policy, PRC and Stanford University, USA

Milczarek-Andrzejewska D., Malak-Rawlikowska A., Fałkowski J. and J. Wilkin (2008) Farm level restructuring in Poland: Evidence from the dairy sector. Warsaw University, Poland

Natawidjaja R.S., Rasmikayati, E., Kusnandar, Purwanto D., Reardon T. and H. Zhi (2008) Restructuring of agrifood chains in Indonesia: The case of potato farmers in West Java. Padjadjaran University, Indonesia, Michigan State University, USA and Chinese Academy of Sciences, PRC

Sharma V. P., Kumar K. and R.V. Singh (2008) Determinants, costs, and benefits of small farmer inclusion in restructured agrifood chains: A case study of dairy industry in India. Indian School of Management, India

## Capacity building

The programme has built capacity of research teams in eight countries, in both the rigorous empirical techniques of to analysing market inclusion and exclusion, but also the capacity to advise and influence policy. In addition, a large number of post-graduates and postdoctorals have been associated with the research:

### Capacity building: Post-graduates and postdoctorals

China	<ul style="list-style-type: none"> <li>Ms. Xiaoxia Dong: Ph.D student from CCAP               <ul style="list-style-type: none"> <li>- working full time on this project - surveys and thesis</li> <li>- completed her thesis and Ph.D programme in July 2007</li> </ul> </li> <li>Ms. Yunhua Wu: Ph.D student from CCAP               <ul style="list-style-type: none"> <li>- full time working on this project - surveys, data analysis and micro study</li> <li>- expected to complete her thesis and Ph.D programme in July 2008</li> </ul> </li> <li>Ms. Xianfang Niu from CCAP has completed and defended her MS thesis, Implications of Agricultural Supply Chain Changes on Farm Production in China – Evidence from Shandong province               <ul style="list-style-type: none"> <li>- completed her thesis and MS programme in July 2007.</li> </ul> </li> <li>Ms. Zhurong Huang: MS student from CCAP               <ul style="list-style-type: none"> <li>- part time working on this project - surveys, data analysis and meso study</li> <li>- expected to complete her thesis and Ph.D programme in July 2008</li> </ul> </li> <li>Mr. Honglin Wang: Ph.D student from the Michigan State Univ (student of Dr. Tom Reardon)               <ul style="list-style-type: none"> <li>- working full time on this project - surveys, data analysis and micro study</li> <li>- expected to complete thesis and Ph.D programme in July 2008</li> </ul> </li> </ul>
India	<ul style="list-style-type: none"> <li>Postdoctoral grants allocated and responsibilities of postdoctoral fellow working on empirical research Mr. Kalpesh Kumar, M. Sc. (Agricultural Economics) Research Associate</li> <li>Mr. Perwinder Singh, MBA in Rural Management Research Associate</li> </ul>
Indonesia	<ul style="list-style-type: none"> <li>Trisna Insan Noor, doctoral student in Agricultural Economics, Padjadjaran University</li> <li>Elly Rasmikayati, doctoral student in Agricultural Economics, Padjadjaran University</li> <li>Tommy Perdana, doctoral student in Agribusiness Supply Chain Management, Agriculture Industrial Technology Dept, Bogor Agricultural Institute (IPB)</li> </ul>
Philippines	<ul style="list-style-type: none"> <li>Ligaya Rubas, Ford Foundation Ph D Scholar -- thesis will be on competition policy in the supply chain and implications to small scale producers.</li> </ul>
Poland	<p>PhD or postdoctoral grants were given to:</p> <p>Jan Falkowski (PhD), PhD dissertation concerning distribution of benefits from direct support along the food chain in Polish dairy sector.</p> <p>Agata Malak-Rawlikowska (Postdoc) thesis on effects of Common Agricultural Policy Reforms on dairy sector in Poland (at the farm and processing level).</p> <p>Dominika Milczarek (Postdoc) preparing a postdoctoral dissertation on creation and activity of interest groups in the agricultural sector</p>
South Africa	<ul style="list-style-type: none"> <li>PhD student Davison Chikazunga Support to RM empirical research studies</li> <li>Prospective PhD student: Danie Jordaan Support to RM empirical research studies</li> <li>MSc student Leah Ndanga Support to RM empirical research studies</li> </ul>
Turkey	<ul style="list-style-type: none"> <li>Sylvaine Lemeilleur (PhD). Support to RM empirical research studies</li> <li>Ayca Aksoy is writing her Master thesis in Montpellier, she followed her undergraduate studies in the Aegean University (Izmir) and is planning to write a PhD</li> <li>Sureyya Kovaci MSc indirectly linked to programme</li> </ul>

## Project Management

The project management features of Regoverning Markets – a decentralised coordination with three research components and nine regions; regular international workshops, global advisory group, website (both internal and external) and global Advisory Group has been evaluated through a **survey of project partners** conducted in May-June 08. This revealed the following:

### Overall model

The model of dividing into components, with experts leading/supporting and decentralised structure, worked very well within such a huge programme and is commendable. There is no alternative to decentralisation at this scale of project, and worked because it was logical subdivision of work.

### Component structure

It was observed that relations *between* components was problematic, especially between Component 1 (C1) and the others – with some resistance to work with other components and hostility to Reference Groups. The ambition of cross-fertilisation between the components could have been better achieved. Were we over-ambitious? The time schedule was tight. Also, discussions between *regions* and C1 and Component 2 (C2) leaders were not strong, where the regional coordinator worked in a different country than the C1 research.

We also needed to get outputs from C1 and C2 to feed into Component 3 (C3). C3 activities and policy platforms raised expectations – it takes a lot of time to meet those expectations. C3 felt a bit neglected – we could have had C3 as the *entry point* and then do C1 and C2, in order to address what is more palatable and achievable with policy makers. We could have stressed more strongly from the beginning that regions need platforms, to emphasise the participatory nature of the research. For example in S Africa, could have put C3 in first, to set up a platform for the other two components for example to get FANRPAN involved from the beginning. Were we looking at advocacy too much from the supply side? *But* it is tricky to convene a group before have something to report.

### Component 1

Many partners reported a problem of irregular pace in C1 leadership. Comments from leaders came back too late – with long waits for answers, and then the coordinators pushed without clear guidelines – causing some missed deadlines in more than one country. Teams got exhausted, eg with the extra need to include analysis of non-land assets. Needed more frequent contacts with C1 leaders; *coaching* required to get up to publication standard.

Only the C1 leaders had an overview, but at a distance from the country teams. could have had firmer structure from the top, so that C1 could have been proactive rather than reactive management. The teams did not have a complete methodology document to work from. The C1 methodology should have been exposed to more external review. Lessons for global analytical work:– should have had a *core methodological team* behind the coordinators, eg based at IIED.

The methodology workshops were too early – should have had one at the Midterm Workshop, and a methodology day in Mexico. The methodology workshop could have been more careful in dealing with C1 methodology, which could have prevented the two later waves of additional requests from C1 leaders. At the Synthesis Workshop, the output of C1 was not fully ready – with resulting negative impact on how to analyse and make use of the Mexico meeting. C1 was behind schedule even at the final conference, which limited the amount of cross-fertilisation between C1 and other components.

The C1 teams did not realise the big gap in approach between the two leaders which were difficult to reconcile, leading to mixed guidance.

The C1 analysis did not fully achieve an understanding of the diversity of countries, and what can be learned from comparative analysis.

Major efforts went into C1. The workload of C1 was a heavy pull on Regional Coordinator time – affecting ability to feedback on C2 synthesis, and it was not easy to integrate C1 and C2 with C3.

### Regional coordination

All partners were convinced by concept of regional coordination, due to specificity of each region.

Some regions did a splendid job, with an internal 'life' in the region, while others were not so good – this is intrinsic to the model, and we did not have a management tool to counteract

weakness in some regions. So the *selection* of partners is key – for future cooperation we need to think more on this, as the choice of regional coordinator had a big impact on regional outcomes. We cannot always choose ‘giants’. A combination of skills is needed to be a good regional coordinator, and it is almost impossible to find them all in one person. All the small things that didn’t work were transferred to the centre of the web – ie to IIED – and these added up to big strain on IIED.

One regional coordinator reported that he would have appreciated links with other regional coordinators to see how it was working in other regions.

Having C1 research and regional coordinator in different countries was difficult. With such geographic dispersion, a quality partner is needed to make decentralisation work. Need to be able to exercise control and follow up.

Regions that came in later eg NW Africa really struggled.

One potential problem is multiple overheads on contracts. If overheads can be kept below 5 per cent, then it works well.

### **IIED coordination**

IIED’s role and management was described as ‘commendable’, despite the small central team. Well organised, kept the programme in hand and pushed very well. Tactful in many areas, good strategy, diffused many potentially explosive situations between strong people. IIED gave a lot of space to regions, not over-controlling but provided direction, greatly appreciated flexibility, responsiveness, understanding of problems. Great respect for energy and positive attitude. IIED administration was very supportive; finance and reporting good. Good reporting structure – did not give regions a hard time.

### **Website**

The website was well received, and good to have as a resource to refer to.

The experiment in a decentralised website development was not successful in some regions.

Would recommend that is actually *more* centralised, but *outsourced*, eg to another country – needs only a small amount of money.

Very useful to continue with website. Some coordinators did not prioritise the website. So the lesson is allocation of local resources including *staff*, as well as local groups seeing importance so that they prioritise.

### **Workshops and conferences**

The first workshops made a good transition between Phase 1 and Phase 2 – made good group strategic decisions on Ph2 project structure.

Necessary and useful, and spacing was right. Venues, organisation, interesting networking, all excellent. Commend IIED within the programme and coordination of meetings.

Synthesis Workshop suffered from delays in C1 analysis.

Beijing: very useful, well structured, and necessary.

### **Seeds sown, value added**

- See Annex 2

### **Global Advisory group**

The Advisory Group made little impact on the programme. and was not able to get traction and engagement – their role died down towards the end. Needed to keep them alerted and involved. Need another meeting of the Group?

## **Impact**

In **Annex 2**, we have assessed the impact of the programme according to the following **indicators**:

National public policy documents reflect dynamic market change

National public policy documents and support interventions reflect the needs of small-scale producers in dynamic markets

International public agencies documents reflect dynamic market change and acknowledge the implications to small-scale producers

Donor agencies policy documents reflect dynamic markets and support small-scale producers’ participation in these markets

Private sector operators working at national and international levels demonstrate interest in and action appropriate for small-scale producers and SMEs inclusion

Producers Organisations and their representative bodies at national level are able to identify opportunities and become effective commercial partners  
Producers Organisations' Representative bodies at regional and international levels are able to lobby and support national bodies  
Knowledge generated by Regoverning Markets programme is called for and used when formulating policies and strategies for pro-poor market development  
Empirical research findings, action research outputs and policy products are well received by peers and target audiences  
Broad-based participation in policy and learning platforms creates environment for shared learning  
Environment for dialogue and policy debate in place at international/regional levels strengthened  
Capacity built of national research teams and other professional groups

The programme has had a remarkable impact in the majority of these areas.

One of the biggest impacts of the programme was achieved through the **conference *Inclusive business in agrifood markets: evidence and action*** March 5-6, 2008, Beijing, which received supplementary support from IDRC. Here is some unsolicited feedback from participants:

*Retail CEO, Southern Africa:*

"I have spent much time thinking through some of the ideas and thoughts presented and have already started pushing some of the organisations I am involved with to look further."

*Director of agrifood parastatal, SE Asia:*

"We left Beijing with overflowing of ideas generated from the conference on what we need to do at MAFC. Indeed, we are revisiting our business and operational plan in order to ensure that our business model will empower the small farmers to come on board of our supply chain management."

*Economist, OECD*

"It was a real pleasure to attend the meeting. It was not only intellectually stimulating but also politically relevant"

*Agrifood producer and trader, SE Asia*

"I would like to express my appreciation to a very well organised, resourceful, and interesting conference."

*Policy maker, Uganda*

"It was a pleasure meeting a good number of people and engaging in interesting discussions. I enjoyed interactions with actors in Uchumi, Shoprite, etc."

*Policy maker, SE Asia*

"A job well done! May there be the needed next steps to benefit the farmers and enlighten the planners and policy makers in the developing countries. Indeed the Conference on Inclusive Business in Agrifood Markets was a perfect convergence of the international stakeholders in agribusiness. It offered an interesting state of how urgent is the need for reforms in the Agrifood Markets, particularly in developing countries."

*Professor, CE Europe*

"This was an excellent opportunity to summarise and disseminate the outcomes of our project."

*Agricultural information service, Africa*

"An excellent and very well organised conference. .. The conference helped us to move towards building strong and sustainable links and partnerships within the African group"

*Agricultural finance organisation, SE Asia*

"I am now expanding the performance indicators of our member banks to include ratios re: loans to traders, retailers and other agrifood stakeholders. Hopefully, we can get some quantitative data in so far as agrifood market-linked financing. The conference was meaningful and added depth to the growing focus on agrifood markets. The camaraderie among the key market stakeholders is very cordial and the interaction reassuring. There are several directions for action, which I will take within APRACA such as to implement the lessons learned, replicate best practices shared and conduct further studies, particularly with respect to financing the value chain."

## Overall assessment and recommendations

Regoverning Markets evolved beyond a “supermarkets in developing countries” project, to produce much more interesting insights on coordinated supply chains, and global trends in which supermarkets are only a part. It has opened up interesting debate and discussion with partners, public agencies, and business, with the idea of **anticipatory policy** has been consistent throughout. The programme has become a **point of reference in the sector** and well known; the messages are being picked up. The programme came at a good time, and the whole subject of market restructuring and modernisation area has gained momentum.

The exchange of insights, eg on new generation intermediaries between Philippines to southern Africa, proved the worth of cross fertilisation between regions. The Beijing conference was a first to properly mix business, producer, policy and research constituencies in a constructive inclusive way around this topic; Regoverning Markets sowed the seeds for thought but did not dominate. The outcome of the Beijing now reflected in wider RM learning – see the conference report at [http://www.regoverningmarkets.org/en/global/beijing\\_conference\\_2008.html](http://www.regoverningmarkets.org/en/global/beijing_conference_2008.html) .

Much follow-on work is underway in regions. The decision not to have a Phase 3 was correct. We have taken global coordination and meta analysis as far as possible. The regions are the place where activity must be taken up from here, without the necessity for formal funded global coordination. This will only happen in regions which are skilled enough and have sufficient local interest to take this forward autonomously. However, the Component 1 datasets have not been fully mined. Additional marginal investments in this dataset can yield a huge gain in output. The C1 analysis is still missing an intensive look at the issue of non-land assets. The countries have the data, but it was not included in the models. The country data will also allow analysis of where farmers get their information, and also gender aspects. With this extra data, a revised, multi-authored synthesis paper will be prepared for a generalist journal. A multi-authored synthesis report for countries where the same commodity – tomatoes –will be prepared for a specialised journal. IDRC have rejected a proposal for supplementary support in this area, and the C1 leaders will look elsewhere for funding.

Dissemination and communications depend on a *tailored message* to each audience. This client-specificity means that it is very difficult to come up with generic outputs. Another challenge to the whole programme team is to develop non-academic communications especially for business and producer organisations.

There follows a number of other assessments of the programme.

### ***Rigorous empirical research on market access can provide very important underpinning for effective policy making***

With agriculture firmly back on the policy agenda, it is even more important to ground policy on fact rather than anecdote. The allocation of a full 1/3 of financial resources in the Regoverning Markets programme to the empirical study of the impacts of downstream agrifood restructuring on farm-level access to markets has been fully validated. The results of the work provide policy makers with a more tangible way to manage the transformation of agrifood markets in ways that include small-scale farmers.

### ***National multi-stakeholder task groups/working committees are one key to building understanding between stakeholders, sharing evidence and information and effecting change***

In general and at national levels, the relationship between the modern dynamic agrifood business sector, the private sector and the producer including the small-scale farmer is weak or non-existent in terms of policy dialogue, collective learning and discourse on issues surrounding the question of inclusion of small-scale producers in modern markets.

Limited but exciting initiatives exist where the formation of and or support to multi-stakeholder processes have contributed to outcomes aligned to the vision of the RM. The RM has contributed to the processes and the associated outcomes.

Examples include:

- the multi-stakeholder Strawberry Council of Michoacán, Mexico utilised outputs from RM in the reformulation of the State strawberry sector plan *to promote the inclusion of small and medium scale farmers in restructured markets*
- Multi-stakeholder national agreement on improved vegetable marketing in the Philippines including smallholder vegetable producers drew on the case study work and dialogue processes supported by the RM; and
- A National Horticulture Charter agreed for Indonesia including composition of a multi-stakeholder committee and creation of a National Horticulture Board following work of the RM in Indonesia.

### ***Creating a neutral space for dialogue between different stakeholders is one step towards building relevant future alliances***

The challenge created through the growth of modern agribusiness requires new institutional arrangements if a wider vision is to be realised. In most cases, within the RM sponsored country level multi-stakeholder chain-wide learning meetings (eight in total) on small-scale producer inclusion in modern markets, it was found to be the first time that such a national level debate had taken place that engaged all key actors. The process was welcomed by participants who appreciated the use of national independent and no-aligned moderators, the creation of a neutral space for dialogue and a methodology which began with looking into the future rather than focussing on prevailing challenges – some of which may be contentious.

Some stakeholders do not perceive that there is anything to be gained through dialogue. There is often lack of confidence and trust between the public and private sectors and between small-scale producers and the larger-scale commercial operators. Inequality in relations and power imbalance are a central issue. Such issues need to be overcome as part of institutional change. Learning through doing and seeking early wins are examples of means to help overcome barriers to market inclusion and to build confidence and trust between actors.

Different institutional models and arrangements need to be tailored to the particular national situation. The lessons learnt learned from the eight country processes of chain-wide learning have been reported<sup>2</sup> and a guide for practitioners prepared<sup>3</sup>.

Examples of outcomes and next steps taken arising from these country cases include:

- South Africa – an Alliance formed with Consumer Goods Council in South Africa (CGCSA), Mpumalanga Economic Growth (MPEG) and national bodies
- Bangladesh – proposal to set up a private sector informal network
- Philippines – the processes and outputs from meetings embedded in work of existing structures
- Turkey – a platform formed to address trends in restructuring and food retailing
- Pakistan – the establishment of a multi-stakeholder task group

### ***Champions of change are a key to moving the agenda forward***

National research teams and other professional groups can serve as champions of change and contribute to national and regional level change processes. The devolved structure of the RM programme combined with a commitment to ensuring that the bulk of the research and policy support was undertaken by national partners has played a key role in building research and policy outreach capacity.

A champion of change or innovator is often a key driver in the change process and in this context a committed individual within an organisation can be key.

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<sup>2</sup> Proctor, F.J. and L. Digal (2007) Opportunities and options for small-scale producers' inclusion in dynamic markets in developing countries and transition economies: A synthesis of findings from country level workshops. 35pp Regoverning Markets Working Paper

<sup>3</sup> Vermeulen, S., Woodhill, J., Proctor, F.J. and Delnoye, R. (2008) Chain-wide learning for inclusive agrifood market development: a guide to multi-stakeholder processes for linking small-scale producers with modern markets. International Institute for Environment and Development, London, UK, and Wageningen University and Research Centre, Wageningen, the Netherlands. ISBN: 978-90-8504-964-7

***The importance of change in dynamic agrifood markets in developing countries and transition economies is increasingly recognised as a legitimate topic for international, national and regional debate***

Over the past three years there has been an increasing number of international, regional or national meetings and conferences held where this topic has been a central or a sub-theme. The RM has contributed to these meetings either through papers, and or support to the organisation of working sessions. These have been through invitation reflecting the profile of the work and the capacity of the research teams or through pro-active engagement by the RM teams. As such this has raised the profile of the debate and the work of RM contributing to heightened awareness by participants of the issues and increased access to the findings of the RM.

Most meetings however have not focused specifically on the development impact of these market changes on small-scale producers and the rural labour force nor the means to seek broad-based and pro-poor procurement (i.e. greater small-scale producers and SME participation and inclusion).

Regional networks place this theme on their agenda, for example the SDPI fostered South Asia network; or in SSA the FARA and COMESA as well as FANRPAN.

RMs' contribution has been a key contributor in getting the issue on the wider agenda. The International Conference organised by RM and entitled *Inclusive business in agrifood markets: evidence and action* March 5-6, 2008, Beijing, P.R. China, was seen by many as a turning point within the debate. With representation from some 130 people from all sectors and over 30 countries, evidence was shared and a platform for the generation of ideas to move towards action at all levels and by all players was created.

***The developmental aspects of changes in dynamic agrifood markets in developing countries and transition economies have been raised within the development and donor communities***

The WDR2008 has placed the topic squarely within the *Agriculture for Development* agenda informed by working papers authored by members of the RM team.

Members (donor agencies) of the Global Donor Platform have placed "supermarketisation" as one of their key themes for priority action.

IFAD in taking forward their planned Rural Poverty Report 2009, have placed market linkages as central to the strategy for action and has drawn on the work of the RM to inform the report. Outcomes of the European Forum on Sustainable Development Berlin 2007 recognise the importance of the role of the private sector in the change process. The Bill and Melinda Gates Foundation created a market linkages programme in 2007. At least one commissioned theme will use the findings from innovation on small-farmer linkages to markets as part of future work on new business models and agrifood market chain development.

***Entry points for specific policy change and broad-based policy change are multiple and unpredictable, researchers and development practitioners in this field need to be ready to be responsive to the prevailing issues at national levels and the demands for evidence that relate to specific issues of the day***

The RM teams at national levels have been called upon and or contributed to a number of policy processes including legislative change.

- Examples of specific policies include: regulation of wholesale markets, Turkey; extension reform, China; competition policy, Pakistan; contract and retail market law, Indonesia
- Examples of broad-based change include: Kenya Vision 2030 task force includes support to small-scale producers in dynamic markets; Common Agricultural Policy debate in Hungary and Poland placed the needs of small-scale producers more centrally;

In such cases, evidence was drawn from the RM and or the public processes drew upon the experiences/knowledge of the research teams within RM which themselves have been strengthened through membership of the RM consortia.

***New public sector (including donor projects) and programmes launched which directly***

### ***contribute to the vision***

There are numerous examples of where material generated through the programme has fed directly into new projects and programmes which will contribute to the wider intended impact of small-scale producers' inclusion in markets. This includes both research and investment.

- Specific country investment examples include: Indonesia (WB), Philippines (ACIAR, ABD), South Africa (national programme), CEE through FAO, China through FAO
- Multi country research examples include: the Global Forum for Agricultural Research (GFAR); a policy and action programme of VECO, Cordaid and IIED, and the mainstreaming of market orientated extension through the work of partners within the Neuchatel Initiative.

### ***Private sector's engagement in good procurement practice can be realised and there is growing interest in the wider issues of pro-poor procurement***

Private sector has developed *codes of practice in modern retail* in Latin America namely Argentina, Costa Rica (in development) and Mexico (in development). Also under consideration is Indonesia. Such initiatives tend to arise where the political pressure or call for change is greatest.

At country level the private sector is willing to initiate exploring the impacts of the changes in fresh produce procurement on farmers and supplier and or new business processes e.g. in South Africa and SSA (Freshmark); Carrefour in China and Indonesia, and national intermediaries or retail such as Birmandiri in Indonesia and JSGaisano Inc. in the Philippines. The latter having adapted a business model which was reviewed and widely shared through the RM

### ***The private sector at global and corporate level has been harder to engage in dialogue to date***

Until the evidence is generated and populated with case materials the opportunity to launch strategic dialogue with the private sector at international and regional levels is limited.

The International Conference in China 2008 was seen as a turning point of private sector interest. Senior level agribusiness and investors from specifically India and Malaysia as well as financial institutional representatives in the SE Asia region expressed commitment to explore new and innovative approaches to support inclusive agribusiness. The CIES Food Business Forum has expressed interest to include the topic in the 2009 Food Business Summit.

### ***Producer organisations have demonstrated their capacity to drive the change and take responsibility for encouraging new models of farmer organisation's link with the value chain***

In many cases the farmers' organisations lack the capacity including access to information and ideas on how to gain and or secure access to dynamic markets in their own right or on behalf of their members. Some exciting examples exist where the RM has also played a supportive role:

Philippines where the elaboration of a case study and the sharing of what works has been seen as a very powerful tool and stimulant to further evaluation of the business model. Such actions are re-enforced by the lobby agenda of global membership bodies such as IFAP who have placed this issue on their own lobby agenda.

The RM has worked closely with the International Federation of Agricultural Producers (IFAP) in sharing ideas and RM outputs and new action orientated programmes such as the IFAP-led Empowering Farmers in Markets Programme [www.esfim.org](http://www.esfim.org) have been launched. The 2008 IFAP Congress called for continued work in this field.

### ***The structure and governance of policy orientated research and outreach can impact significantly on the likelihood of research uptake and policy outcomes***

The RM programme had a number of features which enhanced the uptake of research findings and increased the pace of policy change and support compared to more traditional policy research programmes. These include:

- the devolved structure of the RM programme with nine regional nodes
- evidence-based research, innovation and learning through case studies, and policy outreach as three interlinked programme components

- programme components' management with co-leadership from north and south institutions
- a commitment that the empirical and case study research should be undertaken by national institutions working in equitable partnership with northern based partners
- Research Reference Groups put in place with ring-fenced funding from the outset in countries undertaking empirical research study
- a commitment to support policy outreach at country, regional and international levels throughout the programme with flexibility delegated to regional level on how the funds are used to enable demand led action
- capacity building of national institutions including support to chain-wide learning as a specific programme objective
- a devolved website which enabled regional nodes to input and build local interest sections

## Annex 1 Outputs and Dissemination

### Website

[www.regoverningmarkets.org](http://www.regoverningmarkets.org): has been developed into a global one-stop resource on the subject of agrifood restructuring in domestic markets. Will continue to be populated to 2010+.

### Methods and approaches

Reardon T. and J. Huang (2005) Methods for Assessing Determinants, Costs, and Benefits of Small Farmer Inclusion in Restructured Agrifood Chains. October 2005

### Syntheses

**Reardon T. and J. Huang (2008) Meso level restructuring of the food industry in development countries. Synthesis report – Meso study. 59pp**

**Huang J. and T. Reardon (2008) Patterns in and determinants and effects of farmers' marketing strategies in developing countries. Synthesis report – micro study. 43pp**

Louw A, Ndanga L. and Chikazunga D. (2008) Restructuring food markets in the sub-Saharan Africa region: Dynamics in context of the fresh produce subsector: A synthesis of country findings

### Issues Papers

Note: Prepared for the International Conference March 2008 and edited post conference to final Issues Papers with same title and numbers

Regoverning Markets (2008) Background to the Regoverning Markets Programme. Conference Issues Paper 1. Paper prepared for the international conference Inclusive business in agrifood markets: evidence and action. Beijing P.R. China. March 5-6, 2008

Regoverning Markets (2008) Business innovations for inclusive agrifood markets. Conference Issues Paper 2. Paper prepared for the international conference Inclusive business in agrifood markets: evidence and action. Beijing P.R. China. March 5-6, 2008

Regoverning Markets (2008) The role of public policy in inclusive agrifood markets. Conference Issues Paper 3. Paper prepared for the international conference Inclusive business in agrifood markets: evidence and action. Beijing P.R. China. March 5-6, 2008

Regoverning Markets (2008) Farmer innovation - linking with modern agrifood markets. Conference Issues Paper 4. Paper prepared for the international conference Inclusive business in agrifood markets: evidence and action. Beijing P.R. China. March 5-6, 2008

Regoverning Markets (2008) Linking market chain actors for effective policy. Conference Issues Paper 5. Paper prepared for the international conference Inclusive business in agrifood markets: evidence and action. Beijing P.R. China. March 5-6, 2008

### **Agrifood sector studies**

#### Component 1 meso studies

Berdegúé J.A., Reardon T., Hernandez R. and J. Ortega (2008) Modern market channels and strawberry farmers in Michoacán, Mexico. Rimisp, Chile, Michigan University and FAO

Chikazunga D., Louw A., Muloongo O. and C. Haankuku (2007) Smallholder farmers' participation in restructuring beef value chains: the beef sub-sector in Zambia. University of Pretoria. Farming Systems Association of Zambia, Zambia

Huang J., Dong, X., Wu, Y., Zhi, H., Nui, X., Huang Z. and S. Rozelle (2007) Restructuring agrifood markets in China: The horticulture sector. Center for Chinese Agricultural Policy, Chinese Academy of Sciences. PRC

Koç A.A., Codron J.M., Tekelioğlu Y., Lemeilleur S., Tozanli S., Aksoy S., Bignebat A.C., Demirer R. and N. Mencet (2007) Restructuring of Agrifood Chains in Turkey: The produce sector. Antalya Department of Economics, Akdeniz University, Turkey

Louw A., Chikazunga D., Jordaan D. and E. Bienabe (2007) Restructuring food markets in South Africa: Dynamics in context of the tomato subsector. University of Pretoria. RSA

Natawidjaja R.S, Rasmikayati E., Kharisma B., Kusnandar, Purwanto D. and T. Reardon. (2007) Restructuring of agrifood chains in Indonesia. Padjadjaran University, Bandung, Indonesia

Ndiyoi M., Mudenda C., Louw A., Chikazunga D., Hankuku C. and L. Ndanga (2007) Restructuring food markets in Zambia: Dynamics in the beef and chicken subsectors. Farming Systems Association of Zambia, University of Pretoria, RSA

Sharma V.P and R.V. Singh (2007) Restructuring agrifood markets in India: The dairy sector. Ahmedabad: Indian Institute of Management. India

Wilkin J., Milczarek D., Malak-Rawlikowska A. and J. Fałkowski (2006) The dairy sector in Poland. Warsaw University and Warsaw Agricultural University. Poland

#### Component 1 micro studies

Berdegue J., Hernández R., Ortega J. and T. Reardon (2007) Modern market channels and Strawberry Farmers in Michoacán, Mexico. Study Report. Rimisp, Chile, Michigan University and FAO

Bignebat C., Koç A. A., Demirer R., Aksoy A., Mencet N. and S. Lemeilleur (2008) Restructuring of agrifood chains in Turkey: The produce sector. MOISA, Akdeniz University, Turkey

Chikazunga D., Louw A., Ndanga L. and E. Biénabe (2008) Smallholder farmers participation in restructuring food markets: The tomato sub-sector in South Africa, University of Pretoria, RSA

Chikazunga D., Louw A., Muloongo O. and C. Haankuku (2008) Smallholder farmers' participation in restructuring beef value chains: A case of the beef sub-sector in Zambia. University of Pretoria, University of Zambia

Huang J., Huang Z., Zhi H., Wu Y., Niu X. and S Rozelle (2008) Production, marketing and impacts of market chain changes on farmers in China: The case of cucumber and tomato in Shandong Province. Centre for Chinese Agricultural Policy, PRC and Stanford University, USA

Milczarek-Andrzejewska D., Malak-Rawlikowska A., Fałkowski J. and J. Wilkin (2008) Farm level restructuring in Poland: Evidence from the dairy sector. Warsaw University, Poland

Natawidjaja R.S., Rasmikayati, E., Kusnandar, Purwanto D., Reardon T. and H. Zhi (2008) Restructuring of agrifood chains in Indonesia: The case of potato farmers in West Java. Padjadjaran University, Indonesia, Michigan State University, USA and Chinese Academy of Sciences, PRC

Sharma V. P., Kumar K. and R.V. Singh (2008) Determinants, costs, and benefits of small farmer inclusion in restructured agrifood chains: A case study of dairy industry in India. Indian School of Management, India

#### **Other policy papers and notes attributable or partly attributable to Component 1 of Regoverning Markets**

##### International

Reardon T. and J. Berdegue (2006) *The retail-led transformation of agrifood systems and its implications for development policies*. WDR2008 working paper. [www.rimisp.org/wdr2008](http://www.rimisp.org/wdr2008)

##### Africa

Series of Policy Briefs, including:

- Restructuring food markets in the Southern African region: A synthesis of country findings
- Agribusiness linkages in the Southern African region: Small farmer participation

Improved small scale farmer access to fresh produce agri-food markets in South Africa  
The role of Fresh Produce Markets in South Africa  
Restructuring food markets in Zambia: Dynamics in the beef and chicken sub-sectors

#### CEE

Wilkin J., Milczarek D., Fałkowski J. and A. Malak-Rawlikowska (2007) *The dairy sector in Poland* Warsaw Agricultural University

#### Latin America

Special Issue of the *InterCambios* electronic newsletter (circulation 11,000) with Latin American C1 and C2 reports (July 2007)

#### South Asia

A weekly Regional Newsletter about agrifood marketing disseminated to around 100 stakeholders produced by SDPI Pakistan

Sharma V.P. (2007), *India's Agrarian Crisis and Smallholder Producers' Participation in New Farm Supply Chains Initiatives: A Case Study of Contract Farming*, W.P. No 2007-08-01, Institute of Management, Ahmedabad, August 2007

#### South East Asia and China

China: Policy briefs to the national leaders on how small farmers adopted new technology and adapted to new market environments. Center for Chinese Agricultural Policy, PRC

### **Workshop and Conference reports**

Regoverning Markets Programme Mid-term Review 27-29 September 2006 Royal Adelaide Hotel, Windsor, UK Workshop Report

Regoverning Markets Programme Synthesis Workshop September 25-27, 2007. Casa de la Cultura, Morelia, State of Michoacán, Mexico Workshop Report. Editor F.J. Proctor

Zambia Linking small-scale producers and processors to dynamic and restructured local, regional and international markets for high value products in East and Southern Africa. Workshop 15 - 17 May, 2007 funded by SIDA. Workshop report

Capacity Building workshop on Policy and Institutional mapping for Inclusion of Small-Scale Producers in "Dynamic Markets" at Pearl Farm Resort, Davao, Philippines 2-4 May, 2007. Workshop report

Inclusive Business in Agrifood Markets: evidence and action. International Conference, Beijing PRC March 5-6, 2008 Conference Report

### **Conference papers and workshop contributions**

Bignebat C., Codron J. M. and S. Lemeilleur (2007) Uncertainty and sequential investment in specific assets: the fresh fruit and vegetables sector in Turkey. Presented at the International Society for New Institutional Economics Conference. June 21-22 2007, Reykjavik, Iceland

Digal L.N. (2006) Quality, cost and marketing margins: the case of vegetables in Southern Philippines. Second Mindanao Agro-enterprise Learning Alliance.

Digal L. N. and R. Montemayor (2006) The Philippines vegetable industry trends, issues and policy implications – paper prepared as part of the collaborative programme on "Participation of Producers in Dynamic Agri-food Chains: A Programme of Support to Producer Organisations (Asia Component)

Digal L. N. (2007) Philippine retail food restructuring: Implications to policy and small scale producers. A paper was presented in the Professorial Chair Lecture Series in the Southeast Asia Research Center in Agriculture (Los Banos)

Digal L. N. (2007) Linking small producers to high value Markets: the role of technical assistance and credit. Southeast Asia Conference on Value Chain Financing, December 12-14, 2007, Sheraton Subang Hotel, Kuala Lumpur, Malaysia

Lemeilleur S and S Tozanli (2007). A Win-Win Relationship between Producers' Unions and Supermarket Chains in Turkish Fresh Fruits and Vegetables Sector MOISA, Montpellier, France. Communications at the International seminar USAID Regional Consultation on linking farmers to markets. Cairo, Egypt 28 January - 3 February 2006.

Lemeilleur S., Bignebat C. and J.M. Codron (2007) Marketing cooperative versus Producer's agent: the Turkish dilemma in the modern Fresh Fruit and Vegetables market. Presented at the European Association for Agricultural Economics. April 23-24 2007, Barcelona, Spain

Reardon T. and C.P. Timmer (2005) The supermarket revolution with Asian characteristics. The International Conference - Agricultural and Rural Development in Asia. Philippines

Sharma V. P. (2006) Trade liberalization and Indian dairy industry. International Symposium on Institutional Structures for Sustaining Livelihoods through Dairying in a Competitive Environment, National Dairy Development Board, Nov. 15, 2006

Sharma V.P. (2007) Restructuring of agrifood market chains and smallholder dairy producers' participation in India. 17<sup>th</sup> Annual World Forum and Symposium on Food Culture, Tradition, Innovation and Trust: A Positive Force for Modern Agribusiness, International Food and Agribusiness Management Association (IFAMA), during June 23-26, 2006 in Parma, Italy

Sharma V.P. (2007) presented the India dairy case study at SDPI's Sustainable Development Conference 12 December, 2007 Pakistan

Wang H., Dong X., Huang J., Rozelle S. and T. Reardon (2006) Producing and procuring horticulture crops with Chinese characteristics IAAE 2006 Conference Australia

Wang H, Dong X., Huang J., Rozelle S. and T Reardon (2006) Producing and Procuring Horticultural Crops with Chinese Characteristics: Why Small Farmers are Thriving and Supermarkets are Absent in Rural China. 26th Conference Paper of the International Association of Agricultural Economists, August 14-19, 2006

*The Impact of the Rise of Supermarkets on Horticulture Markets and Farmer in Indonesia* presented at the "Vegetables and Bio-pharmacy plants Revitalization Program: Medium Term Development Plan" Meeting in Yogyakarta, Indonesia, December 10-11, 2006

[International Symposium Improving the Performance of Supply Chains in the Transitional Economies - Responding to the Demands of Integrated Value Chains](#) September 23-27, 2007, Hanoi Vietnam. ISHS. Papers presented drawn upon Regoverning markets programme outputs

- Wiboonpongse A. and S. Sriboochitta (2007) An alternative deal for potato growers in the contract farming system. Chiang Mai University
- Concepcion S. B. and Digal L. N. (2007) Small producer groups in the restructuring Philippine vegetable industry. University of the Philippines Mindanao
- Natawidjaja R.S., Deliana Y., Rusastra W, Perdana T., Napitupulu T.A., Sulistyoningrum H. and Y. M. Rahayu (2007) Linking mango farmers to dynamic market through transparent margin partnership model. CAPAS Indonesia
- Manalili N. and L. N. Digal (2007) Restructuring agri-food system in Southeast Asia and its implications to small-scale Producers. University of Mindanao, Philippines.

IAAE-EAAE Regional Inter-conference Seminar: Agricultural Economics and Transition: *What was expected, what we observed, the lessons learned*. September 6-8, 2007, Corvinus University of Budapest (CUB) Budapest, Hungary

FAO-IAMA meeting *The Rural Poor and tomorrows market* 23-24 June 2007 Parma, Italy Bill Vorley with Estelle Bienabe and Andre Louw

Second European Forum on Sustainable Rural Development 18-21 June 2007 Berlin Germany

- Felicity Proctor and Bill Vorley Resource persons for the working group *How can rural producers in Africa become more competitive in the face of globalisation and supply chain integration?*

FARA General Assembly June 10-15, 2007, South Africa *Promoting the productivity and competitiveness of African agriculture in a global economy* Working paper for the side event *Pan African Private sector consortium as leverage for impact networking and agribusiness development* Andre Louw

NEDLAC / BUSSA / NEPAD workshop on 4 June 2007 (Investment in SADC and Africa- agriculture sector) Andre Louw.

### **Theses**

Niu X. (2007) Implications of Agricultural Supply Chain Changes on Farm Production in China – Evidence from Shandong province. Based on the Regoverning Markets research 2007. MSc thesis of Center for Chinese Agricultural Policy, Chinese Academy of Sciences

Dong X. (2007) Horticultural marketing, geographical location and crop production: a case study in the Greater Beijing. Ph.D thesis of Center for Chinese Agricultural Policy, Chinese Academy of Sciences, and Nanjing Agricultural University

### **Meetings and presentations**

#### **Global and OECD**

IAAE 2006 Conference in Australia. Tom Reardon chaired and spoke in a Plenary Session on “Transformation of Unfavourable Areas: Technologies, Institutions, and Market Access”

USAID/World Bank [Regional Consultation on Linking Farmers to Markets](#), Cairo, 29 Jan – 2 Feb 2006. Regoverning Markets programme represented

*Globalizing Retail* seminar, University of Surrey, 17-18 July 2006: “Transnational retail, market structure and governance: Challenges for development policy” Bill Vorley and Tom Reardon participated

European Forum on Sustainable Rural Development. 18-21 June 2007 Berlin. Felicity Proctor and Bill Vorley

FAO workshop *The Rural Poor and tomorrows market* 23-24 June 2007 Parma, Italy during the IAMA conference. Bill Vorley, Andre Louw and Estelle Bienabe

China – International Agricultural Trade Research Consortium (IATRC, [www.iatrcweb.org](http://www.iatrcweb.org)) Summer Symposium, one-day post-conference, Beijing, July 10 2007. Jikun Huang

Montreal Canada, Forum on Market Access Mechanisms October 2-4, 2007. Bill Vorley

Global Donor Platform Seminar 13 December 2007. Felicity Proctor and Bill Vorley

OECD Seminar Paris 8 February 2008. Bill Vorley

Conference on Rural Economic Development: Opportunities and Challenges in Future Growth Strategies 8-9 April 2008 Copenhagen Denmark. Regoverning Markets Programme presented by Felicity Proctor

World Bank Seminar on Regoverning Markets programme and business models. 19 May 2008. Felicity Proctor and Bill Vorley

International Federation of Agricultural Producers International Congress Warsaw - Development Committee 31 May 2008. Felicity Proctor

Inclusive Business in Agrifood Markets: Evidence and Action International Conference of the Regoverning Markets Programme. Beijing PRC. March 5-6, 2008

## **CEE Hungary**

Workshop on initial review of C2 results with stakeholders. July, 2006.

IAAE-EAAE Inter-conference Seminar, September 6-8, 2007, Budapest.

Workshop on rural poverty and small farmers, December 2007. Hungary

## **Poland**

Seminar December 6, 2006 Corvinus University, Poland. Focus on Poland empirical study and Hungarian case studies included representatives of the Ministry of Agriculture, producer and trading organisations cooperatives, consulting firms, academia, processors, PhD students.

Meeting in Białystok at Politechnika Białostocka (May 26, 2006),

Meeting in Warsaw at the Ministry of Agriculture and Rural Development (June 1, 2006),

Meeting in Olsztyn at Warmia and Mazury University (August 18, 2006),

Conference organised by the Department of Economics of Warsaw University in Cedzyna (Poland) 22-23 September, 2006. Presentation of C1 project results (Dominika Milczarek, Jan Fałkowski)

Seminar at Warsaw University (April 12, 2007) – presentation and discussion on macro-and meso results and their implications

Seminar November 8-9, 2007, [Changing Agri-Food Markets – Impacts upon Small-Scale Farmers. Results of Regoverning Markets Project](#), participants from Hungary, Poland, Russia, Lithuania, Bulgaria and Romania. Presentation and discussion on results of empirical findings of Component 1 and Component 2. Representatives of the Polish Reference Group and other representatives of Ministry of Agriculture, producer and trading organisations cooperatives, consulting firms, academia. Papers included:

- Dairy sector in Poland - results of meso-study (Dominika Milczarek-Andrzejewska, Agata Malak-Rawlikowska, Jan Fałkowski)
- Results of micro-study in Poland (Dominika Milczarek-Andrzejewska, Agata Malak-Rawlikowska, Jan Fałkowski)

## **Other**

IAMO Conference in Halle (Germany) 27-29 June 2007 Institute of Agricultural Development in Central and Eastern Europe (IAMO). Presentation of the first stage results from the Poland case Dominika Milczarek

## **Turkey and Middle East**

Retail Sector Submit 2006 in Istanbul.

Regoverning Markets Seminar *“The Keys to Inclusion of Small-Scale Producers in Dynamic Markets: The State of Fresh Fruit and Vegetable Sector in Turkey”*, Akdeniz University, Economic Research Centre on Mediterranean Countries, 23-24 November 2006 Antalya.

The French team was co-organiser (with T. Reardon and R. Ruben) of a special session for the 103<sup>rd</sup> Seminar of the European Association of Agricultural Economists (1st Mediterranean Conference of Agro-food Social Scientists. Title: Adding Value to the agro-food Supply Chain in the Future Euro Mediterranean Space. April 23-25, 2007. Barcelona, Spain)

A platform on restructuring trend of food retailing and its impact on Small and Medium Size Enterprises (SMEs) was organised by Enterprise Association of Antalya (ANSIAD) 2007. Ali Koc

presented paper on restructuring trends in retailing

Working meeting on key findings from Component 1 work – October 2007

Joint conference Akdeniz University and MARA - November 2007

### **South East Asia**

IFAP Regional Meeting, Hanoi, November 6-10, 2007 presentation of Best Practices and Lessons learned as well as the NorminVeggies Experience Larry Digal

FAO International Symposium on Fresh Produce Supply Chain Management in Thailand December 2006

The 4<sup>th</sup> Supply Chain Forum on “Enhancing Producer Linkage to Markets” Philippines August 2006

The 4<sup>th</sup> Development Policy Research Forum to the Mindanao vegetable stakeholders in Sept 2006

Vegetables and Bio-pharmacy plants Revitalization Program: Medium Term Development Plan” Meeting in Yogyakarta, Indonesia, December 10-11, 2006. Representatives from Dinas Pertanian (Agricultural Office) from all of the provinces, private sectors, NGO, research centers and universities.

Participation of the Regoverning markets program in the 2nd Mindanao Agro-enterprise Learning Alliance (MAELA). Presentation on “Quality, cost and marketing margins: the case of vegetables in Southern Philippines”

Video documentation of NorminVeggies case and shared during the 6<sup>th</sup> Mindanao Food Congress, August 15-16, 2007. This video was developed by the FFF-RM project supported by IFAP

Booth/Flyer for information exchange and promotion of Regoverning markets programme in 4<sup>th</sup> (2006) and 5<sup>th</sup> National Vegetable Congress-NVC (2007), 4<sup>th</sup> Supply Chain Forum-SCF, 4<sup>th</sup> Development Research Forum –DRF (2006), 2<sup>nd</sup> Mindanao Agro-enterprise Learning Alliance (2006), Regional Policy Consultations (RPC) with Vegetable Stakeholders (Luzon – Banguio and Manila, Visayas- Cebu and Mindanao-Davao); FAO-workshop

Advocacy of policy issues and recommendations for the vegetable sector – regional policy consultations and 5<sup>th</sup> National Vegetable Congress

Partnership with Catholic Release Service in the conduct of the 2<sup>nd</sup> Mindanao Agro-enterprise Learning Alliance conducted last March 2006. Larry Digal presentation on “Quality, cost and marketing margins: the case of vegetables in Southern Philippines”

World Bank Workshop “Retailing in Indonesia: Trends, Opportunities and Challenges” divided into two sessions: (1) Implication for horticulture producers-Equity and efficiency, (2) Modern and tradisional retail-Co-existency and complementarity. CAPAS presented the research result for tomato study and supermarket development August 1 2007 Jakarta Indonesia

Workshop on” Investment and Financial Source for Agribusiness in Horticulture”. Multi stakeholder meeting to discuss an investment opportunity and financial source to conduct agribusiness in horticulture sector in Kabupaten Bandung (2007). The workshop was conducted in collaboration with the Kabupaten Bandung Regional Government and DG of Horticulture. Capas and the Reference Group served as an organiser of the workshop:

Presented the reseach findings from tomato and potato study as well as the meso study.

Facilitated a discussion with banking sector, micro finance, and investors

### **China**

Workshop on *Agricultural Extension and Marketing Reform* held in Sichuan 22-24 January 2007, and gave presentation on reforming China’s agricultural extension system.

Workshop organised by World Bank and Ministry of Commerce in Beijing on 18 Sept. 2007. Jikun

Huang gave presentations on small farms and trade liberalisation

China FAO workshop on the Small Farmers and Agri-food Commercialization on 14-15 May 2007

China International Agricultural Trade Research Consortium (IATRC, [www.iatrcweb.org](http://www.iatrcweb.org)) Summer Symposium, one-day post-conference, Beijing, July 10 2007. Regoverning markets to prepare a booth and join event – Larry Digal and Ronnie Natawidjaja

National extension reform forum in Sichuan in January 2007. Presentation on: Reforming China's agricultural extension system in the held

International Agricultural Trade Research Consortium. *China's Agricultural Trade: Issues and Prospects* July 8-9, 2007 Beijing China. Workshop *Emerging Links between Retail Transformation and Agrifood Trade in Asia*

- Asia Supermarket Revolution and Potential Trade Implications” by Thomas Reardon (Michigan State University)
- Retail transformation's regional trade, FDI, and supply chain impacts in Southeast Asia: a view from the Philippines: Larry Digal, Professor, University of the Philippines at Mindanao
- Retail transformation's regional trade, FDI, and supply chain impacts in Southeast Asia: a view from Indonesia: Ronnie Natawidjaja, Professor in the Department of Social Economics of Agriculture, Padjadjaran University and Director of the Centre for Agricultural Policy and Agribusiness Studies, Bandung, Indonesia

### **Sub Saharan Africa incl South Africa**

Role of small-scale farmers to emerging markets in the World Development Report consultative meeting for Eastern and Southern Africa held at ILRI, Nairobi in November 2006

National Fresh Produce Conference (AllFresh) 2006 South Africa

A joint workshop between the South African research team and the National Agricultural Marketing Council hosted at the annual conference of the Association of Agricultural Economics Society of South Africa September 2006.

Regoverning markets stakeholder workshops in Kenya and Uganda 2006/07

Participation in Africa wide Fertilizer Summit. 9-13 June 2006 Abuja Nigeria

Participated in a COMESA meeting to harmonise policies for farm inputs in the regional economic bloc 2006

FARA General Assembly 10-15 June 2007 South Africa FARA General Assembly *Promoting the productivity and competitiveness of African agriculture in a global economy* including a side event *Pan African Private sector consortium as leverage for impact networking and agribusiness development*

Forum for African Agricultural Research (FARA) week at the Gallagher Estates Trade Fair & Seminar (June 2007) Andre Louw attended

Trade Conference International (TCI) - Agribusiness Trends Dialogue August 2007 with Agribusiness in SADC Andre Louw addressed meeting

NEDLAC / Business Unity South Africa / NEPAD workshop on 4 June 2007 (Investment in SADC and Africa)/AgriFica (endorsed by the Foundation for Development of Africa (FDA) Andre Louw participated

National Seminar South Africa. 6 September 2007. Participants from National Department of Agriculture (NDA), National Agricultural Marketing Council (NAMC), SACAU, Freshmark, Tshwane FPM, representatives from the University and Zambia. regional organisations, such as Nepad, SARPN, the SADC Secretariat, and FANRPAN; private sector organisations, such as supermarkets, processors and consultants; provincial and national departments of agriculture and trade, farmer organisations, FPMs and representatives from the University.

African Association of Agricultural Economists (AAAE) Conference, Ghana. 20-22 August 2007. Davison Chikzunga South Africa and James Ngoro Kenya presented papers

Agricultural Economics Association in South Africa (September 2007). University of Pretoria presented a poster

### **North Africa**

RM seminar held during the International Food Fair Morocco (2007)

### **Latin America**

Regional Workshop on "The expansion of supermarkets and their impact on agrifood chains: challenges and opportunities", October 26-28, 2006 Lima, Peru, co-funded between Rimisp and OXFAM International. The 37 participants from seven countries included representatives of farmers' and consumers organisations; NGOs; national, regional and local governments; public sector agencies; researchers and university professors.

One day workshop in Michoacán, Mexico. Regoverning Markets with special focus on smallscale producer inclusion in Mexico. 28 September 2007

### **South Asia**

SDPI Sustainable Development Conference Islamabad 10-13 December 2007 – panel on small-scale producers in dynamic markets

Pakistan Horticulture Development and Export Board (PHDEB) sponsored an International session on Regoverning Markets at the SDPI Sustainable development Conference Islamabad, Pakistan 2007

Missing Links in Sustainable Development: South Asian Perspectives Ninth Sustainable Development Conference 13-15 December 2006, Islamabad, Pakistan. Panel 2: Regoverning markets: Inclusion of small growers and producers in the supply chain

Third Triennial Conference title "Reorienting Agricultural Research to meet the Millennium Development Goals" from 9-11 November 2006, at New Delhi, India, organised by Global Forum on Agricultural Research (GFAR).

*Emerging Food Markets, Small Producers, SMEs and Trade Policy of Pakistan* organised by Sustainable Development Policy Institute (SDPI) 28 May 2007.

Inclusion small producers in dynamic Markets, organised by SDPI on 3 August, 2007

Review of Trade Policy in the light of small producers and SMEs. Organised by SDPI on 25 August, 2007

Asia 2015 conference organised by DFID in UK 2006 Dr. Suleri SDPI attended UNCTAD civil society hearing conference in Geneva, 2006 Dr. Suleri participated

Importance of domestic markets workshop co-organised by Ministry of Commerce Pakistan and UNDP, 2007. Lahore. Dr. Suleri attended

Third Triennial Conference title "Reorienting Agricultural Research to meet the Millennium Development Goals" 9-11th November 2006, New Delhi, organised by Global Forum on Agricultural Research (GFAR). Mr. Kazami SDPI

MINFAL strategic meeting to discuss on the subject "Doha Negotiations, Space for Pakistani Agriculture" on 2-3 Jan 2008. SDPI was requested to share the findings of its RGM programme. Mr. Ramey SDPI attended

Regional workshop on Regional Trade in South Asia. SANEM Bangladesh 25-26 January 2007. Mr. Ramey SDPI attended

CUTS meeting on trade and development. Vietnam 5-7 March 2008. Mr. Ramey SDPI attended

## Annex 2 Mapping and measuring the impact of the Regoverning Markets programme

International and national public and private sector policy and intervention **better able** to secure more equitable producer and trade benefits in response to the dynamic changes in agri-food market restructuring in developing and transition economies

### 1 National public policy documents reflect dynamic market change

Outcome	Measure	Source
<b>National poverty/economic growth strategies; national agriculture, trade and food strategies; public sector action plans</b>		
Strawberry Council of Michoacán, <b>Mexico</b> , utilised outputs from RM in the reformulation of the State Strawberry sector plan <i>To promote the inclusion of small and medium farmers in restructured markets</i> building on agreements between the private sector, the state and the federal government for sound guidance of programmes and investments in the value chain	Secretariat for Agricultural Development of the Government of the State of Michoacán (SEDAGRO) reformulates the Michoacán Strawberry Sector Plan, 2007.	Record of one day meeting at the annual conference. September 2007
<b>Kenya</b> Vision 2030 task force includes support to small-scale producers in dynamic markets informed by the RM programme team	The Kenya Vision 2030 task force sets out vision which integrates small-scale producers into emerging and dynamic markets. To be launched October 2007.	<a href="http://www.nesc.go.ke/">http://www.nesc.go.ke/</a>

### 2 National public policy documents and support interventions reflect the needs of small-scale producers in dynamic markets

Outcome	Measure	Source
<b>Medium term expenditure frameworks/ public expenditure reflects changed needs</b>		
New investment in <b>Kenya</b> address the changes of market linkages for small-scale producers	The Kenya Vision 2030 includes ten flagship projects linking producers through their respective producer business groups to wholesale market hubs and large retail outlets in urban centres	<a href="http://www.nesc.go.ke/">http://www.nesc.go.ke/</a>
<b>Policy and legislative changes</b>		

The regulation of wholesale markets is changed to enable greater private sector vertical integration and new modalities for operation in <b>Turkey</b>	In Turkey a revised wholesale market law passed in Parliament 2007 to establish the conditions for trading fresh fruits and vegetables.  A revised law is under consideration at the Turkish Parliament that permits Municipalities to either establish or permit the establishment of private sector owned wholesale markets	Reference to the law Official Journal May 23 2007 No 26530
Draft law (revision) on organic production in Turkey	RM contributed to the debate on the reform of the law which is currently anti-poor	
Draft law on the regulation of supermarkets <b>Turkey</b>		Ministry of Commerce and Industry RM provided evidence Lead authors of the law joined RM lead workshop
National Rural Development Plan reflects the needs of small-scale producers' integration in dynamic markets in <b>Hungary</b> .	Special measures are being envisaged by supporting producers' organisations to facilitate small holders' participation in value chains.	National Rural Development Plan of Hungary, 2007
New contract laws offer greater protection to small-scale producers in <b>Indonesia</b> . Draft of modern retail law in Indonesia takes into account learning from RM	Indonesia contract law drafted and agreed Indonesia modern retail law in preparation	Modern retail law is still at the Parliament and waiting for an approval (at early 2008)
A National Horticulture Charter agreed for <b>Indonesia</b> including composition of committee and the election of the president of the new National Horticulture Board	The new charter and structure in place	National FGD and Workshop December 7-8 2007 on the Development of National Horticulture Board. In collaboration with DG of Horticulture, CAPAS facilitated the multi-stakeholder meeting with major horticulture producers and associations at the national level. Report of meeting
Contribution to the processes of reform in <b>Pakistan</b> including competition policy and law, Horticulture Policy, Marketing Policy, Agriculture Policy, WTO Negotiations, FTAs, RTAs and FDI in retail sector through RM's active engagement within learning platforms at country level	Under process in Pakistan, work on competition policy and law, Horticulture Policy, Marketing Policy, Agriculture Policy, WTO Negotiations, FTAs, RTAs and FDI in retail sector.	Sustainable Development Policy Institute (SDPI) preparation of key policy notes, regional industry status reports, documentation of innovation not captured through specific studies
Piloting of extension service reform in 25 counties in <b>China</b>	RM policy brief to the national leaders on how small-scale farmers adopt new technology and adapt to new market environment. The recommendations from this policy brief have been incorporated into the ongoing national extension system pilot reform in 25	National Agricultural Technology Extension Center (NATEC): the leaders from NATEC and Ministry of Agriculture agreed to include farm association and

	counties in China.	marketing assistance components in China's pilot of extension service reform in 2007 and 2008.
Multi-stakeholder national agreement on improved and more efficient vegetable marketing in the <b>Philippines</b> including smallholder vegetable producers and a framework in place to address issues in the sector in a systematic manner	<p>Resolutions include:</p> <ul style="list-style-type: none"> <li>-strengthen and expand the pilot food lane programme for vegetable to national level</li> <li>-strengthen the application of grades and standards to service as a common language for transaction covering vegetables</li> <li>-urge the government to commit P1billion funds from the agricultural competitiveness enhancement fund to provide incentives and risk management measures for new loan portfolios designed <b>to enhance the productivity and profitability of smallholder</b> vegetable producers</li> <li>-enhance the profitability of smallholder vegetable production through a package of integrated technical assistance and promotion of vegetable consumption</li> </ul> <p>A <b>single unified national agenda</b> to support the Philippines vegetable industry and strengthen regional agriculture and fisheries councils to ensure that regional concerns are adequately addressed</p>	Submitted as a Policy Resolution in the 5 <sup>th</sup> National Vegetable Congress, March 7-8, 2007.
<b>Pakistan</b> Budget 2007 and trade policy 2007 was debated for pro-poor domestic commerce	Pre-budget and pre-trade consultation and post trade policy media talk shows	<p>Official consultation by the Ministry of Commerce</p> <p><a href="http://sdpi.org/research_Programme/environment/regoverning_markets.html">http://sdpi.org/research_Programme/environment/regoverning_markets.html</a>  <a href="http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/may_07.html">http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/may_07.html</a>  <a href="http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/august_07.html">http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/august_07.html</a></p> <p>TV talk shows at major TV channels including GEO, CNBC Pakistan, AAJ TV, DAWN TV, PTV Pakistan</p> <p>SDPI is a member of the National Steering</p>

		Committee formed by the United Nations Development Program (UNDP) and the Ministry of Commerce for – “Trade Initiative from Human Perspective”. A programme launched 2006
Multi-stakeholder national agreement on improved and more efficient citrus marketing in <b>Pakistan</b>	Recommendations for Ministry of Food, Agriculture and Livestock (16 action points) Ministry of Commerce (9 action points)	Submitted policy resolutions to the Ministry of Commerce and Ministry of Food and Agriculture
Multi-stakeholder dialogue about protection of small farmer’s rights in the forthcoming National Trade Policy in <b>Pakistan</b>	National Trade Policy 2007	Citation from Commerce Minister’s Speech ( <a href="http://www.commerce.gov.pk/Tradepolicy.asp">http://www.commerce.gov.pk/Tradepolicy.asp</a> )

### 3 International public agencies documents reflect dynamic market change and acknowledge the implications to small-scale producers

<b>Outcome</b>	<b>Measure</b>	<b>Source</b>
The WDR 2008 on Agriculture for Development highlights the issues of small-scale producers and modern markets and draws on RM teams’ working paper and two case studies	The WDR 2008 report	WDR2008 chapter 5 <a href="http://www.worldbank.org/wdr2008">www.worldbank.org/wdr2008</a>
The membership of the OECD DAC recognise that changes in market structure are taking place and calls for new relationships in the value chain, contract farming and enhanced support to farmers organisations in the context of new and rapidly expanding global value chains. It recognises the private sector is emerging as a key player in linking larger-scale commercial producers with markets	The OECD DAC publication is guided by the POVNET donor group and has been developed through consensus	OECD DAC (2006) Promoting pro-poor growth-Agriculture 78pp
The EC Common Agricultural Policy (CAP) reform process made more aware of the issue of small-scale producers within the CAP reform through work of RM	The profile of the issue is raised.  Positive response to multi-stakeholder seminars and working meetings held in Poland and Hungary on the issues of small-scale producers within the CAP reform process	RM findings provided significant inputs to discussions on CAP reforms organised by the British and Dutch Embassies in Hungary (first half of 2007)

		Seminar on C2 outcomes in Budapest, Hungary (December 2006).
Alliance for a Green Revolution in Africa (AGRA) includes market access	AGRA reports informed by RM	AGRA reports Focal countries Kenya and Uganda RM fed into process

#### 4 Donor agencies policy documents reflect dynamic markets and support small-scale producers' participation in these markets

Outcome	Measure	Source
Some 30 bilateral donors and International Financial Institutions have placed <i>Value chains and "supermarketisation"</i> as one of ten key themes that require specific focus in order to address the challenges of rural development and of the small-scale farmer in particular.	Global Donor Platform for Rural Development joint agreement made in 2006	Hot Topics: Platform consensus on rural development issues of global significance in 2006. <a href="http://www.donorplatform.org/">http://www.donorplatform.org/</a>
Global Forum on Agricultural Research (GFAR) will focus on " <i>linking smallholder farmers to dynamic markets</i> " It will scale-up good practice from a number of programmes including RM	The governing body and membership of the Global Forum on Agricultural Research (GFAR) has reached agreement to focus on " <i>linking smallholder farmers to dynamic markets</i> " (2007)	<a href="http://www.egfar.org/egfar/">http://www.egfar.org/egfar/</a>
Raised awareness in the EU of the challenges facing rural livelihoods in Africa in the face of globalisation including call for new relationship between key actors	The second EU meeting on rural development called for new partnerships between farmers organisations and the private sector and for donors to exchange experience, develop a common understanding of the supermarket revolution and establish dialogue with supermarket chains.	Sustainable Growth and Poverty Reduction in Rural Africa: How can Europe be a more effective partner? 18-21 June 2007, Berlin  Working group 1 <a href="http://www.ruralforum.info/">http://www.ruralforum.info/</a>
IFAD planned Rural Poverty Report 2009 to utilise outputs from RM	Outputs shared with IFAD task team	Draft working papers. Report due early 2009

#### 5 Private sector operators working at national and international levels demonstrate interest in and action appropriate for small-scale producers and SMEs inclusion

<b>Outcome</b>	<b>Measure</b>	<b>Source</b>
JSGaisano Inc, a <b>Philippines</b> based retailer, seeks to take up a model of small-scale farmer procurement shared through the RM	Supermarket Chain in Southern Philippines is buying from a cluster of small-scale vegetable farmers. Model is based on the NorminVeggies RM case study. Implementation was assisted initially by the Catholic Relief Service' (CRS) Small Farmers Marketing Program funded by USDA and is now procuring from small-scale farmers without market facilitation support from CRS.	Reference Group meeting (May 25, 2007); JSGaisano Inc, CRS, RM meetings June 2007; and July 2007; on-going buying operations of JSGaisano
Carrefour agree contract with Centre for Agricultural Policy and Agribusiness Studies (CAPAS) of Padjadjaran University to set up learning Laboratory for modern retailing and product handling <b>Indonesia</b>	The new learning laboratory (supply model chain - live fresh kiosk) will seek to train both students and farmers, procurement agents and extension agents in business processes and total quality management systems	Poster presented at the International Conference March 5-6, 2008 P.R. China
World Economic Forum coordinated 30 global lead companies to plan intervention in 2-3 poor areas of <b>Kenya</b> on market linkages and pro-poor private sector activity as private sector contribution to MDGs.	RM partners contribute to programme	RM provided working paper World Economic Forum "Business Alliance for Reduction of Hunger" work plan and work of the Business Alliance Against Chronic Hunger (BAACH)
Makro Habib are linked with small scale citrus producers in <b>Pakistan</b>	RM Team facilitated the formation of the group of citrus producers working with Makro Habib in October to Nov 2007. Also requested from Makro to with link with apple producers	CEO of Makro Habib is a member of the advisory committee of RM
The Sustainable Food Laboratory is a community of business (over 24 regional and global agribusinesses) and societal leaders from at least three continents, actively seeking ways to bring real change to the ways food is grown, harvested, bought, and distributed food. RM will contribute to that meeting with RM evidence.  Sustainability Institute draws on RM business model lesson on future work funded through Gates Foundation	Focus on annual meeting of the Sustainable Food Laboratory on <i>Healthy Value Chains: Cases, Methods and Leadership</i> . RM provided working paper	15-18 October 2007 meeting in Guatemala <a href="http://www.sustainablefoodlab.org/">www.sustainablefoodlab.org/</a>
CIES Food Business Forum representative express interest to explore implications and business processes including at 2009 Food Business Summit		Bilateral meetings in margins of the International Conference March 5-6, 2008 China

**6 Producers Organisations and their representative bodies at national level are able to identify opportunities and become effective commercial partners**

<b>Outcome</b>	<b>Measure</b>	<b>Source</b>
<b>Philippines:</b> Policies developed and informed by policy consultations with over 300 stakeholders and research evidence managed through a partnership between the Federation of Free Farmers, the RM and the Catholic Relief Service	Government responded to the resolutions and announced programmes to develop and expand establishment of trading centres, cold chain, infrastructure, information (marketing and technology) and the establishment of agribusiness centres during the 5 <sup>th</sup> National Vegetable Congress	End of Project Report of the Free Farmers Federation to IFAP  Paper on The Philippine Vegetable Industry: Trends, Issues and Policy Implications (Montemayor and Dical 2007)  Press releases
IFAP funded Phase 1 of the “Participation of Producers in Dynamic Agri-food Chains: A Program of Support to Producer Organisations (Asia Component)” and piloted in the Philippines to push the NorminVeggies case of RM.	NorminVeggies was presented in the national consultations for the 5 <sup>th</sup> Vegetable Congress which impressed many vegetable growers in the country and led to the development of the IFAP proposal phase 2 which focused on the application of cluster development with participation from supermarket chains	Free Farmers Federation end of project report to IFAP
IFAP’s in partnership with the Free Farmers Federation (FFF) use outputs from RMP’s research in new Collaborative program on “Participation of Producers in Dynamic Agrifood Chains: A Program of Support to Producer Organisations (Asia Component).	IFAP-FFF-CRS-RM developed proposal to include development of a cluster of small-scale farmers, participation of multi-stakeholders in policy initiatives that address issues affecting small scale farmer participation in modern markets and development of learning alliance through information exchange, field visits, etc.	IFAP-FFF-CRS-RM proposal
<b>Pakistan</b> RM Team initiated organisation of citrus producers through the policy and institutional mapping exercise	Citrus producers are now organised (before only exporters organisation composed of big farmers and packers)	Sargodha region. Cooperative started to work right after its formation on August 20, 2007  Policy and institutional mapping report-Pakistan

**7 Producers Organisations’ Representative bodies at regional and international levels are able to lobby and support national bodies**

Outcome	Measure	Source
IFAP Strategic Plan 2006-2010 recognises one of the key global trends of relevant to IFAP as the “ <i>increasing dominance of agrifood chains by large multinational companies</i> ” requiring IFAP to be more active in the area of competition policy, promoting farmers in the market, and in engaging in discussions with retail chains and food companies.	IFAP Strategic Plan 2006-2010 will focus on eight action areas of which one is “ <i>strengthening the place of farmers in the food chain</i> ” faced with industry concentration	IFAP Executive Committee 26-27 October 2006 Document EX8/06
IFAP increases human resource capacity to work on farmer-market linkages	IFAP employs 5 regional coordinators with 50% time to be allocated to farmer market linkages	IFAP website and staffing plan

Strategies including policies and interventions by which small-scale producers and SME trade intermediaries **can better participate** in the dynamic market sector identified and made available for adoption within public and private processes

**8 Knowledge generated by Regoverning Markets programme is called for and used when formulating policies and strategies for pro-poor market development by:**

Outcome	Measure	Source
<b>Private corporations</b>		
Private sector respond to need for <i>code of practice in modern retail</i> in Latin America	Spread of Codes of Conduct Argentina Costa Rica (in development) Mexico (in development)	Component 2 case study write up <a href="http://www.regoverningmarkets.org">www.regoverningmarkets.org</a>
Policy makers express particular interest in the above code including Indonesia, Vietnam, Morocco, Turkey and draw upon the case study to inform national multi-stakeholder debate		Records of chain-wide learning meetings <i>Pers comm.</i> – F.J. Proctor
JSGaisano Inc (supermarket) uses RM	Procurement from small scale vegetable producers on going and	CRS-Philippines Report

research for development of fresh produce procurement and possible investment in vegetable processing	meetings with Program Manager for Agribusiness Linkages of International Finance Corporation-Philippines conducted for possible investment in vegetable processing	RM-SEA Regional Coordinator Report
Private sector (Freshmark) explores the impacts on the changes in fresh produce procurement in South Africa and SSA	New initiative to better understand impacts undertaken by the private sector following as one contributor the RM workshop and shared outputs	Regional coordinators report
<b>Farmer organisations and their representatives</b>		
New partnerships formed with Farmers Organisation which are able to take forward policy and practice in the Philippines	Regoverning Markets and IFAP through its affiliate the Federation of Free Farmers in the Philippines with Catholic Relief Service FarmCoop (a Cordaid assisted project in Mindanao, Philippines working with banana growers) Free Farmers Federation, Vegetable Industry Association in Southern Philippines (VICSMIN), Northern Mindanao Vegetable Association and Philippine Industry Vegetable Board participated in the multi-stakeholder consultations and some committed to be part of the proposed cluster development programme of FFF-IFAP-CRS-RM	FFF-RM Report to IFAP – Phase 1 Minutes of the Philippines Reference Group meeting held May 25, 2007
IFAP <b>African</b> Farmers' Committee Meeting, Cotonou, Benin 21-24 March 2007 hold special session on dynamic markets and seek action	RM material used including the five Africa case studies as key resource for the working meeting	Report of the Africa Farmers Committee Meeting <a href="http://www.ifap.org/en/regions/africa.html">www.ifap.org/en/regions/africa.html</a>
Lessons shared between RM and Farmer Organisation networks ( <b>global</b> )	Collaborated with COOPEUMO in 2007 to support the Global Learning Network of Producer Organisations included information shared and guidance on farmers organisation exchange and study tours	
Sustainable Agricultural Group (SAG) in <b>Pakistan</b> is closely involved and engaged in multi-stakeholder consultation. They have taken the inclusion of small producers to dynamic markets as one of their campaign themes	SAG advocacy campaigns include protection of small scale citrus farmers' welfare	<a href="http://sdpi.org/research_Programme/environment/regoverning_markets.html">http://sdpi.org/research_Programme/environment/regoverning_markets.html</a>
<b>National governments and regional bodies</b>		
New models of support to small-scale producers initiated	<b>Indonesia:</b> Proposal to pilot of new profit-risk sharing credit scheme to link	Associated website <a href="http://www.amarta.net/aboutus.htm">http://www.amarta.net/aboutus.htm</a>

	<p>small-scale farmers to dynamic markets launched within shariah commercial banking system and in partnership with the Ministry of Agriculture. New funding sources to be mobilised through USAID AMARTA project.</p> <p><b>Philippines</b> Assistant Secretary of the Department of Trade and Industry and the Agribusiness Marketing Assistance Service of the Department of Agriculture committed to support proposed cluster development projects linked to modern markets</p> <p><b>South Africa</b> National Agricultural Marketing Council (NAMC) and the Limpopo Department of Agriculture (LDoA) are undertaking feasibility studies on farmers produce markets LDoA planning formation of a public corporation known as Agro-Processors of Limpopo (APOL) National Department of Agriculture has established a fresh produce agency NAMC is exploring potato supply chains including study on informal markets</p> <p><b>SSA</b> CAADP NEPAD pillar 3 – RM inputs to inform stock-take by NEPAD through COMESA</p> <p>Review of national CAADP processes</p>	<p>Minutes of the Philippines Reference Group meeting held May 25, 2007</p> <p>See Southern Africa coordinators reports. These are outcomes of the Policy and Institutional mapping workshop and the follow up work of the RM South Africa Reference Group</p> <p>Funded through DIE for GTZ and working with IFPRI – the market linkages work will be embedded</p>
<b>Pakistan</b> Horticulture Export Board (PHEB) supports the inclusion of small scale producers in dynamic food markets	RM Team conducted a consultation in citrus supply chain in collaboration with the agribusiness development project (ADP) of the government of Pakistan and PHEB	<a href="http://sdpi.org/research_Programme/environment/regoverning_markets.html">http://sdpi.org/research_Programme/environment/regoverning_markets.html</a> <a href="http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/may_07.html">http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/may_07.html</a> <a href="http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/august_07.html">http://sdpi.org/SDPI_in_the_press/media%20coverage%202007/august_07.html</a>
<b>Africa Regoverning Markets Steering Committee (ARMS)</b> formed lead by FANRPAN South Africa to take forward action at SSA level towards moving RM from evidence to action	Network formed, governance agreed	Email and outline of 11 March 2008-03-29 Meeting in margins of the International Conference March 5-6, 2008. P.R. China
<b>Asian Productivity Organisation</b>	Coordinator was invited to present lessons learned from RM	<a href="http://www.apo-">http://www.apo-</a>

<p>recognises the relevance of RM research outputs on <i>development</i> of value chain financing models and in the development of programmes of relevant international/regional organisations and government institutions in the promotion of value chain financing and the profitable integration of small producers, processors, and traders in the value chain.</p>	<p>program and other related research in the Southeast Asian Regional Conference on Agricultural Value Chain Financing, 12 - 14 December 2007 (three days), Kuala Lumpur, Malaysia</p>	<p><a href="http://tokyo.org/cgi/apo_read.pl?mydb=pns&amp;mytmp=pn_venue&amp;end_date%3Etoday&amp;order_by=venue&amp;order=abc">tokyo.org/cgi/apo_read.pl?mydb=pns&amp;mytmp=pn_venue&amp;end_date%3Etoday&amp;order_by=venue&amp;order=abc</a></p>
<p><b>Donors and NGOs</b></p>		
<p>New donors embed lessons within programme planning</p>	<p>Workshop 15 - 17 May 2007 in Zambia with Sida RRD on <i>Linking small-scale producers and processors to dynamic and restructured local, regional and international markets for high value products in East and Southern Africa</i></p>	<p>Workshop report <a href="http://www.regoverningmarkets.org/">www.regoverningmarkets.org/</a> Southern Africa section</p>
<p>Additional and related studies funded by development partners and donors seeking to take the agenda forward are supported through interaction with RM and use of RM resources</p>	<p><b>Global</b> ECART– IFAP–IFAD programme entitled <i>Farmers Empowerment in Markets</i></p> <p><b>Neuchatel Initiative</b> uses case material from the RM in developing the Market Orientated Advisory Services guidelines (TBC)</p> <p><b>VECO, Cordaid and IIED</b> develops a joint project to launch April 2008, around inclusion of small-scale producers in markets. Three elements: capacity building through training and learning alliances; sharing-dissemination of results of RM; advocacy and promotion enabling environment.</p> <p><b>SSA:</b> Sida funding country information sheets for Ethiopia, Kenya, Mozambique, Zambia and Tanzania</p> <p>FAO: FAO Sub-regional office <b>CEE</b> fund the presentation of additional case studies of models of good and innovative practice</p> <p>FAO: <b>China</b> programme on small-scale farmers and fruit production and marketing study</p>	<p><a href="http://www.esfim.org">www.esfim.org</a></p> <p><a href="http://www.neuchatelinitiative.net">www.neuchatelinitiative.net</a></p>

	<p><b>Latin America</b> Following Regional Workshop on “The expansion of supermarkets and their impact on agrifood chains: challenges and opportunities”, October 26-28, Lima, Peru, co-funded between Rimisp and OXFAM International.</p> <p><b>CEES</b> June 2008 – launch of an e-forum discussion on the future of small-scale farms in CEES in the context of the CAP reform</p> <p><b>Philippines</b> Australian Center for International Agricultural Research expansion of the Agribusiness Supply Chain Project (Phase 2) includes a component on the study of wholesale markets and retail chains which was not in the original proposal. Project implementers include Curtin University of Technology Australia, and University of the Philippines in Mindanao</p> <p>Project on “Enhanced profitability of selected vegetable value chains in the Southern Philippines: Economic Impacts of Technologies and Policy Constraints in the Production of Vegetables in the Philippines and Australia” funded by Australian Center for International Agricultural Research. The project team members include Department of Primary Industries in NSW, Australia, Philippines Institute for Development Studies, UP Mindanao and SEARCA.</p> <p>Asian Development Bank is funding a study on the impact of supermarkets on upstream (mango and vegetables) and downstream (traditional retailers/wholesalers, processors) in the Philippines involving RM coordinators from Michigan State University and University of the Philippines in Mindanao (January 2008 - October 2008).</p> <p><b>Indonesia</b> Many participants, especially from private sector and NGOs, are interested in the RM policy mapping method, including the Horticultural Partnership Supporting Programme (HPSP)</p>	<p>ADB TA No. 4920-PHI Strengthening Institutions For Investment Climate And Competitiveness Strengthening Private Sector Growth And Development In The Distribution Sector.</p>
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	<p>sponsored by the Dutch Embassy.</p> <p>Linkage to project on supply chain by the Australian Center for international Agricultural research and <b>SEARCA</b> for the upcoming conference on “The Supermarket Revolution Transforming Food Systems in <b>East and Southeast Asia</b>: Agrifood and Rural Development and Policy Implications.”</p> <p><b>South Africa:</b> Series of new studies generated from the RM Policy Dialogue processes: National Agricultural Marketing Council (NAMC) and Limpopo Department of Agriculture (LDoA) are writing reports on the feasibility of establishing fresh produce markets (FPMs) in the province.</p> <p>Limpopo is planning the formation of a public corporation known as Agro-Processors of Limpopo (APOL)</p> <p>National Department of Agriculture (NDA) has established a structure for a fresh produce development agency</p> <p>National Agricultural Marketing Council (NAMC) is investigating supply chain for Potato South Africa on markets, supply chain and market issues. Potato South Africa study on informal markets in SA</p> <p>The <b>private sector</b>- Freshmark is interested in investigating the impacts on the changes in fresh produce procurement in <b>South Africa and Africa</b></p> <p><b>Pakistan</b> Horticulture Development and Export Board (PHDEB) will sponsor continued work on value chains with SDPI</p>	
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**9 Empirical research findings, action research outputs and policy products are well received by peers and target audiences**

Outcome	Measure	Source																														
New realisation in the donor community about the need to understand agrifood market restructuring and its implications for rural development	Recommendations included a need to support farmers' organisations in trade dialogue, and donors to develop a common understanding of the supermarket revolution and establish dialogue with supermarket chains	Second European Forum on Sustainable Rural Development, 18-21 June 2007 Berlin.  <a href="http://www.ruralforum.info/">http://www.ruralforum.info/</a>																														
RM wider consortia invited to and actively participate in academic and non academic meetings and conferences	<p>RM- led and or invited to <b>national</b> policy events, seminars and workshops for shared learning and debate including Turkey, Philippines, China, Mexico, Poland , Hungary, South Africa</p> <p>National workshops/meetings</p> <table border="1" data-bbox="684 581 1360 906"> <thead> <tr> <th></th> <th>Meetings</th> <th>Other conference papers</th> </tr> </thead> <tbody> <tr> <td>Central and East Europe</td> <td>11</td> <td></td> </tr> <tr> <td>Turkey and Middle East</td> <td>6</td> <td></td> </tr> <tr> <td>S E Asia</td> <td>16</td> <td></td> </tr> <tr> <td>China</td> <td>6</td> <td></td> </tr> <tr> <td>SS Africa including South Africa</td> <td>13</td> <td></td> </tr> <tr> <td>North Africa</td> <td>1</td> <td></td> </tr> <tr> <td>Latin America</td> <td>2</td> <td></td> </tr> <tr> <td>South Asia</td> <td>13</td> <td></td> </tr> <tr> <td></td> <td>68</td> <td>23</td> </tr> </tbody> </table> <p>Notes: Some national events were of regional and international nature</p> <p>RM invited to <b>regional and international</b> policy events, seminars and workshops for shared learning and debate. International meetings and conferences including donor workshops - 16</p> <p>Papers/presentations prepared by RM consortia for the end of programme International Conference China March 2008 – 11 in number</p>		Meetings	Other conference papers	Central and East Europe	11		Turkey and Middle East	6		S E Asia	16		China	6		SS Africa including South Africa	13		North Africa	1		Latin America	2		South Asia	13			68	23	See Annex 1 and 2
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	68	23																														
Invitations to provide advice and inputs into change processes by interest groups	<p><b>SSA:</b> RM Regional coordinator for South Africa joined the FARA subcommittee on Agribusiness</p> <p><b>SSA:</b> Alliance formed with Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN)</p> <p><b>South Africa:</b> Alliance formed with Consumer Goods Council in</p>																															

	<p>South Africa (CGCSA), Mpumalanga Economic Growth (MPEG) and national bodies</p> <p><b>Pakistan:</b> Alliance formed with Sustainable Agriculture Action Group</p> <p><b>China:</b> China's regional coordinator was invited three times by Agricultural Trade Promotion Center of Ministry of Agriculture and World Bank to provide inputs and policy recommendations on the small farms adapted to trade liberalisation.</p>	<p>Three workshops held by the World Bank (Beijing) and the Ministry of Agriculture in 2006 and 2007.</p> <p>See also Annex 2 – list of meetings and workshops</p>																														
Papers accepted in peer reviewed journals	Seven papers in peer reviewed journals and further papers to be prepared in 2008	See Outputs																														
Demand for resource outputs	<i>Citations</i>	Chain-wide learning guide distributed to some 200 contacts with ongoing calls for copies since publication – May 2008. This latter coming mainly from NGOs, national centres of excellence working in developing countries and CGIAR centres																														
Outputs made accessible to wider stakeholder groups	<p>Demand for information and for RM products continues to raise on a monthly basis including in particular from the south</p> <p>RM products include:</p> <table border="1"> <tr><td>Synthesis Papers</td><td>5</td></tr> <tr><td>Issues Papers</td><td>5</td></tr> <tr><td>Policy Brief and Information note</td><td>2</td></tr> <tr><td>Component 1 – Meso studies</td><td>9</td></tr> <tr><td>Component 1 – Micro studies</td><td>8</td></tr> <tr><td>Innovative practice</td><td>29</td></tr> <tr><td>Innovative policy</td><td>10</td></tr> <tr><td>Chain-wide learning workshop reports</td><td>8</td></tr> <tr><td>Workshop and Conference reports</td><td>6</td></tr> <tr><td>Regoverning Markets resources: methods and approaches</td><td>5</td></tr> <tr><td>Books and Chapters</td><td>12*</td></tr> <tr><td>Papers in Refereed Journals</td><td>7**</td></tr> <tr><td>Other misc papers and reports</td><td>27</td></tr> <tr><td>Theses</td><td>2</td></tr> <tr><td>Videos</td><td>1</td></tr> </table>	Synthesis Papers	5	Issues Papers	5	Policy Brief and Information note	2	Component 1 – Meso studies	9	Component 1 – Micro studies	8	Innovative practice	29	Innovative policy	10	Chain-wide learning workshop reports	8	Workshop and Conference reports	6	Regoverning Markets resources: methods and approaches	5	Books and Chapters	12*	Papers in Refereed Journals	7**	Other misc papers and reports	27	Theses	2	Videos	1	Annex 1
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	<p>*X4 in preparation **additional papers anticipated in 2008</p> <p>Detailed records of the use of (visits) the website has been maintained. From the website launch in summer 2006, the number of visitors ramped up sharply to reach 11404 visitors over the Q2 2007 period and 30129 individual page hits which equates to 125 visitors per day on average. A steady increase was seen over the following year to reach 15022 visitors over Q2 2008 – 165 visitors per day. There is an overall healthy distribution of visitors from across the globe, considering limited Internet access in many developing countries.</p>	IIED data base
Local demand and interest encourages local language websites to be established	<p>Website financed and operated by Akdeniz University, <b>Turkey</b>, including newsletter</p> <p>Linkage to project website and Hungarian language information on the project on the Corvinus University of Budapest, <b>Hungary</b>, website.</p>	<p><a href="http://www.akdeniz.edu.tr/ercmc/regoverning.htm">www.akdeniz.edu.tr/ercmc/regoverning.htm</a></p> <p>www.uni-corvinus.hu/agrar</p>
<b>South Africa</b> RM team appoint Public Relations Officer	4 million outreach through media	
Presentation to Parliamentary Committee – <b>South Africa</b>	RM present work to key parliamentary committees	
UNDP, ABDP, Ministry of Commerce and Makro Habib have realised benefits from shared learning on RM outputs - <b>Pakistan</b>	Formed steering committee with members from UNDP, ABDP, Ministry of Commerce, Makro Habib and RM	www.sdpi.org newspaper clippings
Sustainable Agriculture weekly newsletter on RM circulated to a wider list, electronic version – <b>Pakistan</b>	Increased demand for information and for RM products	www.sdpi.org
Local demand and interest encourage reporting of RM outputs in local language Urdu	Reported in major URDU newspapers	Daily jang; JINAH, Khabrain Newspaper clippings <a href="http://www.jang.net/jang_mag/arc_detail_article.asp?id=1698">http://www.jang.net/jang_mag/arc_detail_article.asp?id=1698</a>
RM outputs presented to <b>International Conference</b> March 5-6, 2008 and well received by all key sectors (130 participants over 30 countries represented)	Conference proceedings and email evidence of response	<a href="http://www.regoverningmarkets.org">www.regoverningmarkets.org</a> conference papers

## 10 Broad-based participation in policy and learning platforms creates environment for shared learning

Outcome	Measure	Source																																																																						
<p><b>Reference Groups</b></p> <p>Multi-stakeholder groups formed in seven countries demonstrate capacity to consult through multi-sectoral means and accompany the research</p>	<p>Composition of Reference Groups:</p> <table border="1" data-bbox="688 451 1415 786"> <thead> <tr> <th></th> <th>Public sector</th> <th>Private sector</th> <th>Farmers and FO, cooperatives and unions</th> <th>Academia including moderator</th> <th>Others</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>China</td> <td>3</td> <td>2</td> <td>2</td> <td>3</td> <td>0</td> <td>10</td> </tr> <tr> <td>India</td> <td>1</td> <td>2</td> <td>2</td> <td>2</td> <td>0</td> <td>7</td> </tr> <tr> <td>Indonesia</td> <td>4</td> <td>5</td> <td>2</td> <td>1</td> <td>1</td> <td>13</td> </tr> <tr> <td>Mexico</td> <td>2</td> <td>1</td> <td>1</td> <td>1</td> <td>0</td> <td>5</td> </tr> <tr> <td>Poland</td> <td>4</td> <td>3</td> <td>3</td> <td>3</td> <td>0</td> <td>13</td> </tr> <tr> <td>South Africa</td> <td>8</td> <td>6</td> <td>0</td> <td>3</td> <td>1</td> <td>18</td> </tr> <tr> <td>Turkey</td> <td>1</td> <td>4</td> <td>3</td> <td>2</td> <td>0</td> <td>10</td> </tr> <tr> <td>Total</td> <td>23</td> <td>23</td> <td>13</td> <td>15</td> <td>2</td> <td>76</td> </tr> <tr> <td>%</td> <td>30</td> <td>30</td> <td>17</td> <td>20</td> <td>3</td> <td></td> </tr> </tbody> </table> <p>Note: no Reference Group was formed in Zambia</p> <p>A total of 76 senior representatives from across the key sectors in seven countries have participated in country level Reference Groups activities. The sectoral representation has been public sector 30%, private sector 29%, farmers and their organisations 18%, academia 15%, and others 3%</p>		Public sector	Private sector	Farmers and FO, cooperatives and unions	Academia including moderator	Others	Total	China	3	2	2	3	0	10	India	1	2	2	2	0	7	Indonesia	4	5	2	1	1	13	Mexico	2	1	1	1	0	5	Poland	4	3	3	3	0	13	South Africa	8	6	0	3	1	18	Turkey	1	4	3	2	0	10	Total	23	23	13	15	2	76	%	30	30	17	20	3		<p>See Annex 4</p>
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<p>Empirical research work in seven countries (China, South Africa, Indonesia, India, Poland, Mexico, Turkey) is made more relevant and had better opportunity for uptake of findings through engagement with Multi-stakeholder Reference Groups</p>	<p><b>Indonesia:</b> See point 8 – new models generated and prepared for piloting</p> <p><b>Mexico:</b> Reference Group meeting resulted in identification of key issues to be addressed during the last stage of the research. Component 1 in Mexico has been exemplary in building policy linkages into the research from the outset. There, the partnership comprises the Government of the State of Michoacán, Secretariat for Agricultural Development, the Union of Strawberry Producers of Michoacán, the Michoacán State Council of the Strawberry Industry, the Inter-American Institute for Cooperation on Agriculture, the International Center for Tropical Agriculture, Michigan State University, and Rimisp-Latin American Center for</p>	<p>RM report of the work of the Reference Groups</p> <p>Report of 1-day workshop in Michoacán expanded of the Reference Group (over 30 participants, the majority of them from the private sector)</p>																																																																						

	<p>Rural Development.</p> <p><b>Turkey:</b> a platform on restructuring trends of food retailing and its impact on Small and Medium Size Enterprises (SMEs) was organised by Enterprise Association of Antalya (ANSIAD) – a presentation given by the RM team on impact of market consolidation on SMEs given</p> <p>See also Annex 4</p>	
<b>Multi-stakeholder Chain-wide learning (Policy and Institutional mapping)</b>		
Multi-stakeholder chain-wide learning meetings (Policy and Institutional mapping) generate new partnerships and learning	<p>Awareness of smallholder challenges in dynamic markets raised in eight countries</p> <p>In many of the selected countries, this was the first occasion where the different key stakeholders met to discuss issues and explore options of small-scale producers and their participation</p> <p>615 participants in total from eight countries including from the private sector (143 in total), farmers and farmers' organisations (221 in total), government and academia (222 in total) and non-government organisations, civil society, and media (29 in total) participated in the policy and institutional mapping workshops. The average per working meeting was: 42 participants for farmers/producers meetings; 14 participants for private sector meetings, and 28 participants for multi-stakeholder meetings. (See table below for breakdown of numbers)</p>	<p>Meeting reports <a href="http://www.regoverningmarkets.org">www.regoverningmarkets.org</a></p> <p>Turkey 22-25 May 2006, Indonesia 31 July – 4 August, 2006 South Africa 30 October – 3 November 2006 Morocco March 14-16, 2007 Philippines May 21-25, 2007 Bangladesh June 12-14, 2007 Pakistan August 2-3, 2007 Vietnam March 19-21, 2008</p> <p>Proctor, F.J. and L. Digal (2007) Opportunities and options for small-scale producers' inclusion in dynamic markets in developing countries and transition economies: A synthesis of findings from country level workshops. 35pp</p>
Multi-stakeholder meetings launch new and or re-enforce existing national structures with capacity to follow through actions from the P and I process		ACIAR project proposal on supply chain
<b>Other national and regional networks formed around RM</b>		
Interest networks formed around the RM.	<b>Pakistan.</b> Pakistan Horticultural Development Board, Makro	

<p>New country level ad hoc multi-stakeholder meetings share information</p>	<p>Habib, Hala Milk, Pakistan Institute of Development Economics, Arid Agriculture University, UNDP, Ministry of Commerce, Board of Investment, Sustainable Agriculture Action Group, Actionaid, Ministry of Food , Livestock and agriculture, University of Agriculture Faisalabad, NIAB, Citrus Producers Organisations, UNIDO, Small and Medium Enterprises Development Authority Pakistan, Foreign Trade Institute of Pakistan and Agriculture, and some experts on agri-food business</p> <p>A high level and multi-stakeholder learning alliance has been constituted with three meetings held during 2007-2008. Outcomes also contributed to recommendations for trade policy which were prepared and forwarded to the Government of Pakistan</p> <p>SDPI organised a consultation workshop in collaboration with Ministry of Food, Agriculture and Livestock and FAO on November 29, 2007</p> <p><b>Uganda.</b> Ugandan Policy Forum group and a workshop with representatives of the supermarkets, Kampala Country Council and growers of pineapples, onions, and dairy farmers to discussed issues of standards and quality of the produce produced and sold through the supermarkets and other retail outlets (2007)</p> <p><b>Kenya.</b> policy reference group meeting in Kenya with the Kenya National Farmers and producers union (KENFAP)</p> <p><b>Turkey.</b> A conference on restructuring trend of food retailing and its impact on Small and Medium Size Enterprises (SMEs) was organised by Enterprise Association of Antalya (ANSIAD) 2007</p> <p><b>Philippines.</b> Organised “reference group” to help champion policy issues and recommendations identified for the vegetable industry. The group includes members from the National Marketing Umbrella Committee, National Business Manager Free Farmers Federation, National Vendors Council, CAFFINORMIN, Univ of the Philippines, Global Learning Network, Vegetable Council of</p>	
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	<p>Southern Mindanao, NorminVeggies, and Catholic Relief Service. A number of <b>actions arisen</b> as a result: The Catholic Relief Service and JSGaisano Inc. (large retailer) set up a pro-poor procurement from a cluster of small-scale vegetable farmers assisted by CRS. A proposal was also developed by Free Farmers Federation in the Philippines (a member of IFAP) together with RM and CRS. The Assistant Secretary of the Department of Trade and Industry adopted the policy and institutional mapping concept/approach in their projects namely: Industry Cluster Capacity Enhancement Program funded by JICA which started last October 2007 and the Single Window for Investment and Trade which is expected to start on January 2008 to be funded by AUSAID.</p> <p>Regional network and informal alliance formed between <b>Turkey, Egypt and Jordan</b> for information exchange</p> <p><b>Morocco</b> Committee of stakeholders including the private sector formed focussing on the livestock/meat sector and addressing the issues of vertical integration including quality assurance backed by the Fed Agricole and developed as result of the policy and institutional mapping workshop</p>	
<b>Others</b>		
Farmers organisations from the north and south share experiences enriched with RM resources	<p>Exchange programme between representatives of producers organisations mainly from Africa and Asia focusing on market access organised by UPA Développement International, Canada</p> <p>Market linkages given centre stage at Development Committee Meeting of the International Federation of Agricultural Producers (IFAP) 2008 Congress</p>	<p>Report of meeting Montreal Canada 1-3 October 2007 Forum on Market access mechanisms</p> <p>Congress report <a href="http://www.ifap.org">www.ifap.org</a></p>

**Multi-stakeholder country meetings on small-scale producers' participation on dynamic markets – meeting participants**

	Producers meeting	Modern markets meeting	Multi-stakeholder meeting	Total
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	Private sector	Farmers, farmers organisation	Public sector Academia	Others	Private sector	Farmers, farmers organisation	Public sector Academia	Others	Private sector	Farmers, farmers organisation	Public sector Academia	Others	
Turkey	8	25	5	0	6	0	4	0	8	4	3	1	64
Indonesia	9	12	9	0	11	0	5	0	7	0	7	0	60
South Africa									5	0	11	0	16
Morocco	2	12	16	0	8	2	11	4	6	3	14	3	81
Philippines	0	36	36	0	7	0	15	0	5	36	37	0	172
Bangladesh	6	25	1	1	13	0	0	0	7	4	7	5	69
Pakistan	14	40	3	0					2	9	11	8	87
Vietnam	6	13	14	3	7	0	4	2	6	0	9	2	66
Sub total	45	163	84	4	52	2	39	6	46	56	99	19	615

Footnotes:

South Africa programme was a one day meeting only and comprised an expanded national Reference Group

Other includes: media, civil society organisations including consumer organisations, and development organisations

Moderators and staff of host institutions and international resource persons (academia) are not included in the above table – averaged 5persons/meeting/all countries

## 11 Environment for dialogue and policy debate in place at international/regional levels strengthened

Outcome	Measure	Source
<b>International and regional</b>		
<b>South Asia</b> “network of networks” in place and active in policy debate	<p>The network managed through SDPI Pakistan and with sustainable financing: Lead by SDPI the network covers over 20 members and includes Pakistan, Nepal, India, Thailand, Sri Lanka, Bangladesh Includes: RIS, CUTS, IIMA, TERI, Swaminathan Foundation, FICCI, JNU [India], IPS, LST [Sri Lanka], SAARC Chamber of Commerce and Industries, Pakistan Institute of Development Economics, BOI, PHEDB, SPDC, ABDP [Pakistan] as well as with individuals interested in study of FDI in retail sector.</p> <p>A weekly Regional Newsletter about agrifood marketing is disseminated to identified stakeholders on weekly basis.</p>	<a href="http://www.sdpi.org/">http://www.sdpi.org/</a>
<b>COMESA</b> East Africa use findings from the		COMESA business plan

Zambia workshop 2007 to inform their regional markets and trade forward planning process		
Local-Regional workshop on RM case study results in <b>Hungary</b> , December, 2006.	Positive feedback from farmers' organisations, processors and locally owned retailers. The importance of small-scale farmer from the point of view of poverty has been emphasised.	Coverage in TV and local media
<b>African</b> agricultural research recognises the importance of the value chain and agribusiness and seeking means to engage the private sector jointly with the public sector to help smallholders invest in change and manage risk	Forum for Agricultural Research in Africa (FARA) establishes an agribusiness working group on which RM is represented (Andre Louw, University of Pretoria) to form the Pan African Agribusiness Consortium (PanAAC)  Food, Agriculture and Natural Resources Policy Analysis Network (FANRPAN) launches follow up group/network following March 2008 China International Conference	FARA meeting 10-16 June 2007 Johannesburg South Africa  <a href="http://www.fara-africa.org/">http://www.fara-africa.org/</a>  Follow-up working meeting in Ghana in October 2007 RM participated  Design for PanAAC completed June 2008
Sustainable Development Conference, <b>Pakistan</b>	Panel on Regoverning Markets organised at SDPI's SDC in Islamabad December 2006 and December 2007	<a href="http://www.spdi.org.sdc">www.spdi.org.sdc</a>
"Inclusive Business in Agrifood Markets: Evidence and Action" <b>International</b> Conference Beijing March 5-6, 2008	130 invited leaders in farming, food and agriculture policy, agrifood business, research and civil society	<a href="http://www.regoverningmarkets.org">www.regoverningmarkets.org</a>

## 12 Capacity built of national research teams and other professional groups

Outcome	Measure	Source
International research teams have developed better skills and understand research methods to undertake empirical research	Through joint learning and methods development with north and south partner teams – the outputs from the RM are of high quality	Report of workshops  Montpellier (for Turkey, Poland, South Africa, Zambia, Mexico teams) June 5-9 2006. Coordinated by MOISA  Ahmedabad (for Indonesia, China, India teams) June 12-14, 2006. Coordinated by IIMA.
International research teams better able to	Publications peer journals	Annex 1

undertake empirical research to international standards and report findings	Annex – list of papers											
Individual researchers achieve higher academic awards	<p>Summary of post graduates supported</p> <table border="1"> <tr> <td>PhD</td> <td>10</td> </tr> <tr> <td>MSc</td> <td>3</td> </tr> <tr> <td>MBA</td> <td>1</td> </tr> <tr> <td>Post doc</td> <td>3</td> </tr> <tr> <td><b>Total</b></td> <td><b>17</b></td> </tr> </table> <p>In addition:  2 post graduates associated with the programme from France  3 PhDs sponsored under other programmes linked to RM consortia and work and studying in US and UK</p>	PhD	10	MSc	3	MBA	1	Post doc	3	<b>Total</b>	<b>17</b>	Annex 3
PhD	10											
MSc	3											
MBA	1											
Post doc	3											
<b>Total</b>	<b>17</b>											
Enumerators teams in eight countries better able to undertake household surveys in eight countries	Training workshops for enumerators on household surveys held in each Component 1 country											
Market chain champions are better able to moderate multi-stakeholder chain –wide learning meetings and to apply tools and approaches that enable critical assessment of policies that can support small-scale producers to participant in dynamic markets	<p>21 participants receive training from Bangladesh, China, India, Indonesia, Pakistan, Philippines, Thailand and Vietnam and representing multiple sectors.</p> <p>Country participants led national multi-stakeholder meetings in the Philippines, Bangladesh and Pakistan after training.</p>	<p>Capacity building short course – Asia region. Report on the training event. May 2-4, 2007 Davao, Philippines</p> <p>Training manual published ISBN 978-90-8504-964-7</p>										
Journalists in Pakistan better able to report on key market and trade issues	Regional training for journalists in collaboration with South Asian Association of Economic Journalists (SASEJ) in Pakistan on domestic commerce in 2006.											
Contribution of curriculum – short course and post graduate in agribusiness – <b>South Africa</b>	Better curriculum informed by RM	Collaborative MSc degree with teaching inputs from RM – from the region including Uganda, Kenya, Zambia Tanzania and Zimbabwe										
Contribution to improvements in curricula of Higher Education in <b>Hungary</b>	Value chain development and the participation of smallholders in value chains have become part of curricula for undergraduate and graduate students in agricultural economics and rural development in Hungary	New curricula at Corvinus University of Budapest, Hungary										
Employment of agribusiness students from LEAP programme including by industry <b>South Africa</b>	Better curriculum informed by RM	40 students 39 employed										
National Farmers Unions – advanced	Better curriculum informed by RM											

leadership programme		
Modern retail and service providers seek to employ graduates – <b>Turkey, Morocco, Indonesia</b>		
CSR pilot project on funding support (intermediation) for horticulture producers in <b>Indonesia</b> connected to the supply chain to supermarket focus on financial support model.	New business model in place	Workshop for training and approach development March 3-4 2007 Lembang Indonesia. Attracted funding support from CSR of PT Hutama Karya (govt owned company), and aligned with future funding channel agent PNM (National Micro Finance Institution). CAPAS served as technical support for private-private partnership between Bimandiri and farmers in Lembang area to develop financial lending model.
Peer review within consortia of research outputs and other products strengthen linkages and builds skills		Throughout programme
Carrefour –CAPAS training facility, <b>Indonesia</b>	Strengthen human capacity in particular graduates and undergraduates to understand practice as well as theory	

## Annex 3 Multi-stakeholder Reference Groups: Making a difference

### Multi-stakeholder Reference Groups

Multi-stakeholder Reference Groups have been established, supported by the programme, in each country where empirical research study has been undertaken.

The generic roles and functions of these Reference Groups were to:

- Review the overall work of the Regoverning Markets programme in the context of dynamic market change at national level and the policy and institutional implications to small-scale producers and agri-business and specifically the work of the country teams
- Create an environment (a constituency) for embedding the outputs from the wider Regoverning Markets programme (as appropriate) and specifically the findings from the Component 1 work within public and private sector policy and change processes
- Share and learn from the wider Regoverning Markets programme and specifically outputs from the Programme are made available to the Reference Group

Each Reference Group set its own agenda and pace and mode of functioning. The Regoverning Markets Programme sought to support the Reference Group, as far as is practical, in taking forward the wider public and private sector policy and strategy dialogue and change process as they related to the goals of the programme e.g. contribution to specific meetings and policy dialogues, presentation of information sheets, and the presentation of wider action plans beyond the immediate scope of the Regoverning Markets programme but aligned to the goal and wider vision.

### Country updates

#### China

Specific objectives of the Reference Group:

Designing programme outputs to match government policy e.g. 'Green Food' and Quality Improvement programmes.

Enable members of the reference group to more engaged with Regoverning Markets Programme

Help to link the Chinese experience with global findings.

#### Reference Group members:

Government	Mr. Chunlin Wang	Representative, The Agricultural and Rural Development Commission of the People Congress, PRC
	Mr. Xiwen Chen	Vice-Minister, National Leading Group on Finance and Economy, which is in charge of national policies in agricultural and rural development.
	Mr. Hongyu Zhang	Deputy Director General, Policy and Regulatory Department, the Ministry of Agriculture
Academia	Prof. Funing Zhong	College of Economics and Trade, Nanjing Agricultural University, Nanjing
	Prof. Xigang Zhu	Former Director General, Institute of Agricultural Economics, Chinese Academy of Agricultural Sciences
Private Sector	Mr. Shuo Meng	Manager for Fresh Agricultural Products, Carrefour, Fangjingdian, Beijing
	Mr. Xiaoyan Feng	President, Qingdao Sanfeng Fruit Company
Producers	Representative	A Farmers Association, Shandong Province

	Representative	Watermelon Farmer Cooperative, Wenlin, Zhejiang Province
Group moderator	Dr Jikun Huang	Director, Centre for Chinese Agricultural Policy (CCAP)

#### **Meetings and specific outputs and outcomes:**

Members of the Reference Group participated in the research workshop Beijing held on 1-7 March 2007 in Beijing. All programme activities in China were reviewed and contributed to the presentation of working papers.

The full Reference Group was briefed on results of the research workshop on 20 March, 2007, Beijing

Two working papers (in Chinese) were distributed to Reference Group members (March 2007)

### **India**

#### **Specific objectives of the Reference Group:**

- provide guidance and inputs to the planning and implementation of action research Component1
- Act as a learning group for dialogue on the policy implications, assessment of emerging research findings and evolution of possible future public and private sector action
- Enable information sharing, understanding of issues and opportunities for small-scale dairy producers, and strengthen better understanding of different points of view of stakeholders involved with changes in dynamic markets
- Undertake joint actions which the members can address together to inform policy or practice change

#### **Reference Group members:**

Public sector	Dr. S. K. Bandyopadhyay	Animal Husbandry Commissioner, Govt. of India, Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, New Delhi
Cooperative sector	Sh. Devender Singh	IAS, Managing Director, Haryana Dairy Development Cooperative Federation Ltd., Panchkula, Haryana
Private sector	Sh. Animesh Banerjee	President, Indian Dairy Association, New Delhi
Cooperative sector	Mr. B. M. Vyas	Managing Director, Gujarat Cooperative Milk Marketing Federation Ltd.
Private sector	Mr. Paul Steinkamp (tbc)	Nestle India Ltd, Firozpur, Punjab
Academia	Dr Raj Vir Singh	Prof and Head of Dairy Economics, Statistics and Management Division. National Dairy Research Institute, Karnal, Haryana.
Group moderator	Dr Vijay Sharma	Indian Institute of Management, Ahmedabad (IIMA)

#### **Meetings and specific outputs and outcomes:**

First Meeting of the Policy Advisory Group (PAG) scheduled for January 5, 2007 at Indian Institute of Management, Ahmedabad (IIMA)

The PAG played a strategic role in the review of the macro and meso levels assessment and in the direction of and planning for the micro level household surveys.

A workshop was held in Ahmedabad (IIMA) in May 2006

## **Indonesia**

### **Specific objectives of the Reference Group:**

As RM general

### **Reference Group members:**

	Name	Institutional Background
Government	Dr. Ir. Ahmad Dimiyati, MS.	Directorat General of Horticulture, Ministry of Agriculture
Government	Dr. Ir. Bayu Krisnamurthi, MS	Deputy of Agriculture, Fisheries, and Forestry, Coord. Ministry of Economy
Government	Ir. Lucky Rulyaman, MS.	Chief of Production Biro, West Java Province Office
Government	Ir. Abubakar, MS.	Program Chief, Dinas Pertanian West Java Province
	Ir. Sophian Nataprawira, MS.	Head of Dinas Pertanian Kabupaten Bandung
Private sector	Azwar	Public Affair Manager, PT Ultra Jaya Milk Industry Tbk. (Beverages Company)
Private sector	Ir. Achmad Rivani	Director, CV. Bimandiri (Supermarket Specialised Wholesaler)
Private sector	Satria Hamid Ahmadi	Aprindo (Indonesian Retailer Association)
Private sector	Tato Sugianto	Indofood Sukses Makmur (Food Processor)
Private sector	Deny Rohman	BRI (Bank Rakyat Indonesia)
Farmers Organisation	Rudi Gunawan, SH.	HKTI (Indonesian Farmers Association)
Farmers Organisation	Dr. Sutrisno Iwantono	Chairman, Advocacy Centre for Indonesian Farmers (IFAP Member)
Moderator	Dr Ronnie Natawidjaja	Center for Agricultural Policy and Agribusiness Studies (CAPAS), Padjadjaran University

### **Meetings and specific outputs and outcomes:**

The first reference group meeting was held in April 2, 2007 in Bandung.

The focus of meeting was to discuss profit-risk sharing credit scheme for small farmers link to the dynamic market. As a result of the discussion a proposal has been made to the AMARTA project USAID for funding. If accepted, a generic model will be developed and introduced to a commercial shariah banking system. The programme will include a seminar will be held with the ministry of agriculture and governor of the central bank of Indonesia, and pilot project will be conducted.

The second meeting was in held in Jakarta at the DG of Horticulture on May 25, 2007. The focus of the meeting was to discuss a horticulture cluster development and initiation of an institution to support horticulture farmers, including the innovation system development.

In partnership with the members of the Reference Group Policy Briefs have been developed and shared at key national events:

- Inclusion of Small farmers in to Supermarket Supply Chain (linked to the meeting organised by the World Bank "Indonesia smallholders and modern supply chains seminar, January 2007)
- Partnership and Technical Support for Small Farmers (Supermarket conference Jakarta organised by the World Bank April 2007)
- Role of Central and Local Government for the Inclusion of Small Farmers (TBC)

## **Mexico**

### Specific objectives of the Reference Group:

As for RM programme

### Reference Group members:

Government	Mr. Rubén Medina	Secretariat for Agricultural Development of the Government of the State of Michoacán (SEDAGRO)
	Ms. Marx Aguirre	
Farmers Organisation	Mr. Juan Garibay	Executive Director, Regional Union of Horticultural Producers of Michoacán
Private sector	Carlos Kuster	Manager, Michoacán State Council of the Strawberry sector
Moderator	Julio Berdegué	Rimisp

### Meetings and specific outputs and outcomes:

Numerous meetings have so far taken place with these partners, including during the initial presentation of the work plan, the meso level studies, the design and testing of the survey

A workshop was held 19-21 February 2007 to present and discuss the initial results from the C1 case study (meso and micro levels). This workshop included both the Reference Group as well as leading wholesalers, agri-processors, and retailers (approx 30 participants). This meeting directed the second round of results analysis and the report presentation.

SEDAGRO, the Regional Union of Horticultural Producers of Michoacán, and the Michoacán State Council of the Strawberry Sector, use the C1 reports as a basis for the joint-formulation of a new Strategic Plan to Promote the Inclusion of Small and Medium Farmers in Restructured Strawberry Markets September 2007.

SEDAGRO (Secretariat for Agricultural Development of the Government of the State of Michoacán) revises its support strategies and programs for the strawberry sector. Yes, but the impact may be lower since there will be State Government elections in Michoacán in Nov 2007 and a new government, perhaps with new teams, was to be sworn in February 2008. If there is discontinuity, part of our effects will be lost

Federal Senators and Deputies are informed by the C1 team about national-level policies and legislation necessary to promote the inclusion of small scale producers in restructured markets. A meeting was held with Senator Silvano Aureoles, from the State of Michoacán, who is also a member of the Senate's Committee on Agriculture. RM conveyed the key findings of the research in the state, and detailed notes were taken and copies of the reports shared. J Berdegué will give a talk to a group of his Advisors.

The Rural Commission of the National Conference of State Governors of Mexico is informed by the C1 team about state-level policies and legislation necessary to promote the inclusion of small scale producers in restructured markets. This is done in a regular way since through the Under-Secretary for Agricultural Development of the Government of the State of Michoacán, who is the contact point of Governor Cárdenas with the Rural Commission of CONAGRO.

The State Council and SEDAGRO published a book in Spanish with all the results of the Mexico RM work

Presentation of final results of C1 study in the Second National Conference of the Strawberry Industry, Zamora, Michoacán (September 2007)

September 2007, International one day seminar in Michoacán. The final results presented to a wider audience of private and public stakeholders.

### Poland

### Specific objectives of the Reference Group:

In the case of Poland specific attention and contribution to the following areas:

- Solving or at least easing problems emerging from the milk quota (fulfilled by Poland). These actions should focus on three directions: shift to high value-added products in dairy sector; lowering costs of milk production; economic diversification at farm level and at village community level.
- Coordination of rural development measures and sectoral measures for better inclusion of small producers and rural people - for example: EU dairy market organisation measures within LEADER+ program.
- Preparing strategy and action plan for EU financed program for eastern Poland in relation to small-farms inclusion. EU decided to give additional 900 million euro for measures improving economic and social cohesion in 5 eastern regions in Poland in 2007-2013. Research outcomes of our project can be helpful in fulfilling tasks of this program, since it is concentrated on inclusion and cohesion. Two regions covered by research are among five regions eligible for this special program.

### Reference Group members:

<i>Government</i>	Stanisław Stańko	Vice-President, Agricultural Market Agency
<i>Government</i>	Ewa Domańska	Director, Dairy Department Ministry of Agriculture and Rural Development
<i>Dairy farmers</i>	Urszula Brulińska	Owner. Family farm close to Łomża (Podlaskie region)
	Kazimierz Otdakowski	Owner. Family farm close to Zambrów (Podlaskie region)
<i>Producer association</i>	Dr Sławomir Ignatiuk	Wydział Zarządzania Politechniki Białostockiej, Białystok (Podlaskie region)
<i>Milk Processor</i>	Ludmiła Kucharska	President. Milk processing cooperative "Spółdzielnia Mleczarska w Lubawie", Lubawa (Podlaskie region)
<i>Wholesalers/businessmen</i>	Cezary Roszkowski	Member of executive board, wholesale company "Kontra" in Olsztyn (Warmińsko-mazurskie region),
	Maciej Pankiewicz	President. Wholesale company "Alpan" Warsaw
<i>Agricultural advisory centre</i>	Bronisław Żelaniś	Production Technology Department, regional advisory center in Olsztyn (Warmińsko-mazurskie region)
	Michał Gąsowski	Director of the Animal Production Section, regional advisory centre in Szepietowo (Podlaskie region)
<i>Research institution</i>	Prof. Mirosław Gornowicz	University of Warmia and Mazury in Olsztyn (Warmińsko-mazurskie region)
	Dr Michał Pietrzak	Warsaw Agricultural University (SGGW)
<i>RM moderator</i>		

### Meetings and specific outputs and outcomes:

Meeting in Białystok at Politechnika Białostocka (May 26, 2006),

Meeting in Warsaw at the Ministry of Agriculture and Rural Development (June 1, 2006),

Meeting in Olsztyn at Warmia and Mazury University (August 18, 2006),

Seminar at Warsaw University (April 12, 2007) – presentation and discussion on macro-and meso results and their implications

Regoverning Markets Seminar in Warsaw (November 8-11, 2007) – presentation and discussion on C1, C2 and C3 results.

### South Africa

### Specific objectives of the Reference Group:

Reference groups will be established at both national and provincial levels to facilitate the efficient dissemination of information and to ensure that consultations take place with a diverse group of stakeholders.

**Reference Group members:**

Government	Bongiswa Matoti	Official Agricultural Marketing, Western Cape Department of Agriculture
Government	Mike Ramushu	Official Musina District, Limpopo Department of Agriculture
Government	Sam Hlungwani	Official Mopani District Limpopo Department of Agriculture
Government	Makgaba Sefura	Official Mopani District Limpopo Department of Agriculture
Government	Doctor Phuti	Official Mopani District Limpopo Department of Agriculture
Government	Sydwell Lekgau	Manager Agriculture Value Chain Limpopo Department of Agriculture
Government	Hilton Madevu	Official, National Department of Agriculture
Government	Roydon Frost	Deputy director, Department of Trade and Industry
Private sector	Chris Gladwin	Senior manager, National Agricultural Marketing Council
Private sector	Shellboy Sedutla	Manager, Market System Development Tshwane Fresh Produce Market
Private sector	Juanita du Preez	Director, Fiyafakata Development and Training
Private sector	Patrick Mphahlele	Inventory Manager, Johannesburg Fresh Produce Market
Private sector	Tobias Doyer	Chief Executive Officer Agricultural Business Chamber
Private sector	Natasia Nel	QA Manager Freshmark FreshMark
Academic	Tsakani Ngomane	Post Graduate School of Agriculture
Academic	Johann Kirsten	Agribusiness Management, University of Pretoria
Moderator	Andre Louw	Agribusiness Management, University of Pretoria
	Junior Ferreira	Consultant

**Meetings and specific outputs and outcomes:**

**The Limpopo reference group meeting**

This meeting was held on 24 July 2007 with provincial Department of Agriculture (DoA) officials, the Chairman of the Limpopo Tomato Growers Association and representatives of the University of Pretoria. The meeting revealed that government has already begun to put in place measures to ensure small-scale farmer inclusion into mainstream agriculture. Through initiatives such as the investigation into the feasibility of provincial fresh produce markets, the development of a public agribusiness firm, Agro-Processors of Limpopo (APOL), the establishment of district government value chain managers and training courses, government seeks to develop the local market and establish strong human and financial links within the province. This province's agriculture is very developed due to the strong presence of development agencies, such as LimDev, as well as the organisation of the provincial DoA. The latter produces a monthly newsletter to keep stakeholders abreast of developments in the province's agricultural sector.

**The Mpumalanga reference group meeting**

This meeting was held on 30 July 2007 with provincial DoA officials and representatives of the University of Pretoria. It was revealed that the DoA together with the Department of Labour have begun to perform training programs. The department encourages the establishment of co-operatives to create economies of scale but has thus far had limited progress. The department also has links with the private sector on an advisory level on various projects. Government performs the feasibility studies and facilitates the establishment of the projects and the private sector implements and manages the projects. This has been in the case of sugarcane, citrus and macadamia, and

investigations in bio-fuels are still in their infancy stages. However, small scale agriculture is not very predominant in the province.

#### **The Pretoria reference group meeting**

This meeting was held on 2 August 2007 with representatives from the Johannesburg and Tshwane Fresh Produce Markets, National Agricultural Marketing Council (NAMC) and the University of Pretoria. During this meeting, the increase in the importance of food quality standards and traceability and small farmers' inability to meet these standards was reiterated by all present. Although the importance of fresh produce markets (FPMs) has reduced, they are still important industry players. The feasibility of satellite markets, training of informal traders, establishment of black agencies and pack-houses, international accreditation of facilities and road-shows are all initiatives that FPMs are considering and undertaking. Conflicting priorities between government, the private sector and producers are retarding the inclusion of small scale producers.

#### **National Reference Group meeting**

Meeting held on 6 September 2007 with representatives from the National Department of Agriculture (NDA), National Agricultural Marketing Council (NAMC), SACAU, Freshmark, Tshwane FPM, representatives from private sector organisations, such as supermarkets, processors and consultants; provincial and national departments of agriculture and trade, farmer organisations, FPMs and representatives from the University of Pretoria.

### **Turkey**

#### **Specific objectives of the Reference Group:**

##### Expected outcomes

The Fresh Fruit and Vegetable Market stakeholders (FFV-MS) is consolidated as a policy dialogue and interactive learning platform of/for all stakeholders involved in the restructuring supply chain of FFV markets in Turkey, has obtained funding and has begun implementing a strategy and program for 3-4 year period.

The FFV-MS have acquired new capacities, and perspectives to enhance their participation or supporting small and medium size producer inclusion in restructured markets.

##### Specific planned outcomes

- Producer organisations (unions and cooperatives) use the C1 reports as a basis for their action to promote the inclusion of small and medium scale farmers in restructured FFV markets
- MARA (Ministry of Agriculture and Rural Affairs) revises its support strategies and programs for the tomato and other FFV sector
- Agricultural Committee of the Turkish Parliament, Agricultural Policy Department of the MARA and other related government institution are informed by the C1 team about national-level policies and legislation necessary to promote the inclusion of small scale producers in restructured markets
- Traditional wholesaler and retailer association or chambers use the C1 reports as a basis for their action to enter and survive in the restructuring FFV market.

#### **Reference Group members:**

Government		Agricultural Policy Department of the Ministry of Agriculture and Rural Affairs (MARA) and Antalya General Directorate of the MARA
Private sector		Union of the Association of Wholesale Agent
Private sector		FFV Exporter Unions in Antalya
Private sector		Private sector including supermarket chain
Private sector		Chambers of District Market (common wet market in Turkey) in Antalya
Farmers Organisation		Chambers of Farmers in Antalya
Farmers Organisation		Agricultural Credit Cooperatives Regional Directorate in Antalya

Farmers Organisation		Tomato Producer Union (Kumluca Sub-province Producer Union and several others in the region)
Moderators	Dr Ali Koç Dr. Şafak Aksoy	Akdeniz University, Antalya

### **Meetings and specific outputs and outcomes:**

Seminar held 23-24 November 2006 “Keys to inclusion of small-scale producers in dynamic markets: the state of fresh fruit and vegetable sector in Turkey” 23-24 November 2006 in which the members of the Reference Group played a key role. The outputs fed into the planning for the RM empirical research study

Working meeting with RG and others on key findings from Component 1 work – October 2007

Joint conference Akdeniz University and Agricultural Policy Department MARA - November 2007 with support from the RG.

### **Pakistan**

Learning platform was established in Pakistan. Three meetings held August 22, 2006; May 29, 2007 and 27 Feb 2008

Pakistan learning alliance was formulated comprising of following public and private institutes, organisations, departments and ministries;

- Board of Investment of Pakistan
- Social Policy Development Centre
- Agriculture Development Bank of Pakistan
- Pakistan Institute of Development Economics (PIDE)
- Economic Justice and Development (Pakistan)
- Sustainable Development Study Centre, GC University Lahore (Pakistan)
- Actionaid Pakistan
- Small and Medium Entrepreneur Development Association (Pakistan)
- Agri Business Development Project (Pakistan)
- Competitiveness Support Fund (Pakistan)
- University of Arid Agriculture, Rawalpindi
- Sustainable Agriculture Action Group,
- Sustainable Development Alternatives,
- South Asia Watch on Trade, Economics, and Environment,
- Imagine New South Asia,
- Journalists for Development and Human Rights.
- Ministry of Food, Agriculture, and Livestock

It seeks to address issues of market inclusion including issues of external trade.